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AN HISTORICAL SKETCH OF THE KNIGHTS
OF LABOR.

ALL labor organizations have been founded on one of two fundamental ideas. First, among the ancient guilds, trades-unions, organizations of professional men, and wherever the members of a single vocation have associated themselves, the underlying idea has been that of the association of men of like employment. The theory that men who think alike should act together has practically formed the basis of all organization,—civil and political as well as industrial and professional. This idea finds its origin in human nature, and belongs to the clannishness of the race. Founded on it, trades-unionism in England has flourished and grown powerful, really constituting one of the great and most important economic factors in the industrial development of England. The trades-union in this country, while flourishing, has not attained any such magnitude or secured such influence as the like organization of the old country. This results from various causes. The democratic character of our people,

the mobility of labor, and the independence of the mechanic can be cited as among the leading causes of the lack of growth of trades-unionism in America. Yet it has been growing stronger and stronger as the industrial revolution has advanced.

The second idea underlying organization is that which ignores vocation, and seeks to harmonize all individual or separate interests in the interest of the whole. Society itself is founded on this principle; but it has not been applied to labor organizations, to any appreciable extent, until within the past fifty years. Since 1830 there have been two or three attempts in France, and in some other continental countries, to bring all workingmen, whether of one nation or of many, into harmonious association; each member everywhere seeking the good of the many. The principal instance of a labor organization based upon this broad principle was the International Association of Workingmen, popularly known as the "International," organized in London in the autumn of 1864, through the influence of two French delegates, Messrs. Tolain and Fribourg,—the first a chaser in bronze, and the second a decorative engraver,—who, visiting London at the time of the great International Exhibition of 1862, were impressed with the influence of the English labor organizations. The International sought to associate workingmen wherever manufacturing had gained any notable foothold; and the society grew for a while, but never at any time had a membership exceeding one hundred thousand, the best evidence giving the highest membership at fifty thousand. The International did not extend to the United States with sufficient force to involve any large number of the workingmen of this country, and it was not until 1870 or 1871 that branches began to be organized here. The part which the International played in the struggles in Paris, in 1871, killed its influence with Americans, and, in fact, practically killed the society itself. It had

a stormy existence, and was wrecked finally by its being taken under the control of the radical socialists of Europe. Yet the International sowed some seed, principally through its broad foundation, and not through its practices.

The second great attempt to organize labor on a broad basis—as broad as society itself, in which all trades should be recognized—was the Noble Order of Knights of Labor of America. This organization was born on Thanksgiving Day, 1869, in the city of Philadelphia, and was the result of the efforts of Uriah S. Stephens, as the leader, and six associates, all garment-cutters. For several years previous to this date, the garment-cutters of Philadelphia had been organized as a trades-union, but had failed to maintain a satisfactory rate of wages in their trade. A feeling of dissatisfaction prevailed, which resulted, in the fall of 1869, in a vote to disband the union. Stephens, foreseeing this result, had quietly prepared the outlines of a plan for an organization embracing “all branches of honorable toil,” and based upon education, which, through co-operation and an intelligent use of the ballot, should gradually abolish the present wages system.

Stephens himself was a man of great force of character, a skilled mechanic, with the love of books which enabled him to pursue his studies during his apprenticeship, and feeling withal a strong affection for secret organizations, having been for many years connected with the Masonic order. He was born Aug. 3, 1821, in Cape May County, New Jersey. He was the descendant of some of the oldest settlers of his native county, and came of patriotic stock, his grandfather on his father's side having fallen in one of the battles of the Revolution. The maternal side, also among the earliest settlers of the county, were Quakers, and gave to the family the staid solidity of character and firmness of purpose for which it has always been noted. His parents, who were Baptists, intended him for the ministry, and his education was par-

tially shaped to that end; but, in the great panic and depression which swept over this country from 1836 to 1840, the family suffered reverses, and young Stephens was indentured as an apprentice, to learn a trade and acquire a knowledge of mercantile business. His training as a skilled mechanic furnished the hint that afterward governed him all through his life as a student; and this hint was that, when a subject is to be learned or a purpose to be accomplished, system, method, and competent means must be brought to bear and special training acquired to guide the way to success. At the close of his apprenticeship, Stephens spent some time teaching school in his native State. In 1845, he removed to Philadelphia, where he resided most of the time during his life. In 1853, he made an extended tour of the West Indies, Central America, and Mexico, and up the Pacific Coast to California, where he lived nearly five years, gathering much information and a very rich experience, which were of great utility to him afterward in the reforms in which he took part. In 1858, he endeavored, by public speeches and through the press, by aid of the information which he had gathered during the five years previous, to attract the attention of capital and enterprise to the wealth of tropical and South American countries. In 1878, the National Greenback Labor Party, without solicitation, unanimously nominated him for Congress in the Fifth District of Pennsylvania.

But, although Stephens possessed no strong political aspirations, he had paid great attention to the reforms of the day, and had caught the spirit of the agitation in the United States during the years 1868-69, through a literature which had been caused by the growth of building societies in various centres, and especially at Philadelphia. He saw that corporate life, through which organization works, was the machinery with which organized capital had held labor in what he considered a partially enslaved

condition. Organized manhood, therefore, was his antidote,—a force wherewith to resist and overcome the combinations of greed and selfishness, and the means whereby justice and right, the chief demand of labor, could be secured. With this schooling, Stephens stood out from the old trades-union system of organization, which in his particular case, that of the garment-cutters of Philadelphia, had failed, as we have seen. He believed it was necessary to bring all wage-workers together in one organization, where measures affecting the interests of all could be intelligently discussed and acted upon; and this he held could not be done in a trades-union.

At the last session of the Garment-cutters' Union, and after the motion to disband had prevailed, Stephens invited the few members present to meet him, in order to discuss his new plan of organization. This meeting was held at the house of Mr. Stephens, 2347 Coral Street, Philadelphia, on the evening of Nov. 25, 1869. Stephens then laid before his guests his plan of an organization, which he designated "The Noble and Holy Order of the Knights of Labor." It was a new departure in labor organization. The founder described what he considered a tendency toward large combinations of capital, and argued that the trades-union form of organization was like a bundle of sticks when unbound,—weak and powerless to resist combination. The remedies he advocated must come largely through legislation and a process of education on the part of wage-workers first, to fit them properly for the work of organization. To this end, he urged the creation of the Local Assembly as the primary school of labor. Stephens's great controlling ideas may be formulated as follows: first, that surplus labor always keeps wages down; and, second, that nothing can remedy this evil but a purely and deeply secret organization, based upon a plan that shall teach, or rather inculcate, organization, and at the same time educate its membership to one

set of ideas ultimately subversive of the present wages system.

Mr. Stephens's associates, or those who agreed with him to form a secret society to take the place of the disbanded Garment-cutters' Union, were James L. Wright, Robert C. Macauley, Joseph S. Kennedy, William Cook, Robert W. Keen, and James M. Hilsee. At a subsequent meeting, held Dec. 28, 1869, upon the report of a Committee on Ritual, involving obligations and oaths, Mr. Stephens and his six associates subscribed their names to the obligations; and, when the ritual was adopted, Mr. James L. Wright moved that the new Order be named the "Knights of Labor."

Mr. Stephens brought into the ritual of the new Order many of the features of speculative Masonry, especially in the forms and ceremonies observed. The obligations were in the nature of oaths, taken with all solemnity upon the Bible. The members were sworn to the strictest secrecy. The name even of the Order was not to be divulged; and it was for a long time referred to in the literature of the Knights of Labor, in their circulars, meetings, reports, and conversation, as "Five Stars," five stars being used in all printing and writing to designate the name of the Order. There were also introduced into the ritual many classical expressions taken from the Greek. The scope of the ritual which was adopted is best understood, so far as its charges and lectures are concerned, by the following instructions as to the objects of the Order and the duty expected of every member as a Knight of Labor. These instructions have been given to every person ever admitted to the Order:—

Labor is noble and holy. To defend it from degradation; to divest it of the evils to body, mind, and estate which ignorance and greed have imposed; to rescue the toiler from the grasp of the selfish,—is a work worthy of the noblest and best of our race. In all the multifarious branches of trade, capital has its combinations; and, whether

intended or not, they crush the manly hopes of labor, and trample poor humanity in the dust. We mean no conflict with legitimate enterprise, no antagonism to necessary capital; but men, in their haste and greed, blinded by self-interests, overlook the interests of others, and sometimes violate the rights of those they deem helpless. We mean to uphold the dignity of labor, to affirm the nobility of all who earn their bread by the sweat of their brows. We mean to create a healthy public opinion on the subject of labor (the only creator of values), and the justice of its receiving a full, just share of the values or capital it has created. We shall, with all our strength, support laws made to harmonize the interests of labor and capital, and also those laws which tend to lighten the exhaustiveness of toil. To pause in his toil, to devote to his own interests (*sic*), to gather a knowledge of the world's commerce, to unite, combine, and co-operate in the great army of peace and industry, to nourish and cherish, build and develop, the temple he lives in, is the highest and noblest duty of man to himself, to his fellow-man, and to his Creator.

No details or general laws for the government of the Order appear to have been adopted until the formation of the first Local Assembly in 1873; but the plan presented at the meeting in November, 1869, was heartily approved; and adopted by Stephens's associates. Meetings were held weekly; and on Jan. 13, 1870, the new organization chose its officers to the several positions called for by the ritual, as follows: Venerable Sage, Past-officer, James L. Wright; Master Workman, U. S. Stephens; Worthy Foreman, Robert W. Keen; Worthy Inspector, William Cook; Unknown Knight, Joseph Kennedy. The office of Statistician was created February 3, and the position filled by the election of Robert C. Macauley.

The ritual of the Order, as worked by this first association, which afterward became Local Assembly No. 1, Knights of Labor, was neither printed nor written; and it is probable that a copy is not now in existence in the form in which it was used in the early days of the Order. As already stated, it demanded that the utmost secrecy should be forever observed. The instructions under it, or the rules of government under it, excluded physicians from

the Order, because professional confidence might force the societies' secrets into unfriendly ears. The rule prohibiting the admission of physicians, however, was repealed at Detroit in 1881. Politicians were to be excluded, because the founders of the Order considered that their moral character was on too low a plane for the sacred work of the new Order; and, besides, it was considered that professional politicians would not keep the secrets of the Order, if such secrets could be used for their own advantage. Men engaged in political work are not now excluded for that cause alone. Lawyers were to be excluded, and still are, because the founders considered that the logical, if not the practical, career of the lawyer is to get money by his aptitudes and cunning, which, if used to the advantage of one, must be at the expense of another, the lawyer himself existing in a legalized atmosphere which recognizes forms and precedents, and which unfits him for the peculiar work of the Order; and, further, that he gains his livelihood by efforts not classified with the honest product of labor. Rumsellers were and are excluded, because the trade is not only useless, by being non-productive of articles of use, but results in great suffering and immorality, causing workingmen more trouble than many or most of the other miseries of which they complain, and because the rumseller renders no equivalent whatever for money received. The founders also considered that those who sell or otherwise handle liquors should be excluded, because such persons would be a defilement to the Order.

In consequence of the close secrecy thrown around the new organization, it did not grow rapidly. Stephens, impressed with the Masonic ritual and that of the Odd Fellows, was unwilling to allow any change; while many members, who did not particularly oppose the secrecy of the Order, thought that the workingman, as a rule, could not be brought to appreciate the classical character of the ritual. So the society struggled on, admitting now and

then a member, its affairs running smoothly, as a whole, but the name of the organization never divulged. The ritual was gradually extended, but for a long time not completed. By the First Quarterly Report of the Order, it is shown that it had a membership of twenty-eight.

In May, 1870, the garment-cutters of Philadelphia inaugurated public meetings for the purpose of increasing the membership of the new association, questions of interest to the trade being discussed, but no allusion being made to the new Order. The results, however, were beneficial; for the Second Quarterly Report exhibits a membership of forty-three, and an increase of nine is shown by the Third Quarterly Report, the finances being in good condition. January 5, 1871, the First Annual Report showed a membership of sixty-nine in good standing. During this year, Mr. Stephens and others carried on a considerable correspondence with the nail-cutters and coal-miners of Pennsylvania, with a view to increasing the influence of the Order by extending its membership outside of Philadelphia. In January, 1872, Mr. Stephens declined the nomination for a third term as Master Workman, and was succeeded by Robert C. Macauley.

Accounts differ as to the time when the first Local Assembly of the Knights of Labor was organized. The best evidence, however, that I have been able to gain designates it as early in 1873 in Philadelphia; and it consisted of Mr. Stephens and his associates, who had struggled along in the initiative association from its inception in November, 1869. All attempts up to this time at organization outside of the original body had been unsuccessful. During 1872, what should now be called Local Assembly No. 1,—the original body,—although comprised of skilled garment-cutters, had initiated a few plumbers, paper-hangers, and painters, with a view to their working for organization in their respective crafts. They were not called upon to pay dues; nor were they

allowed to vote, being called "sojourners." The second Local Assembly to be organized, being the first outside of the original body, consisted of ship-carpenters and calkers employed in Cramp's shipyard. This was soon after the complete organization of Local Assembly No. 1, and became Local Assembly No. 2. After this, the Order spread quite rapidly; and twenty assemblies were organized in Philadelphia during 1873, No. 3 being shawl-weavers; No. 4, carpet-weavers; No. 5, riggers; No. 6, carpet-weavers; No. 7, stone-masons; No. 8, bag-makers; No. 9, machinists and blacksmiths; No. 10, stone-cutters; No. 11, wool-sorters; No. 12, machinists and blacksmiths; No. 13, tin-plate and sheet-iron workers; No. 14, steel-makers; No. 15, pattern-makers and moulders; No. 16, shopsmiths; No. 17, machinists, blacksmiths, and boiler-makers; No. 18, house-carpenters, ship-joiners, mill-wrights, and cabinet-makers; No. 19, bricklayers; No. 20, gold-beaters. The first twenty-seven Local Assemblies of the Order were all organized in the city of Philadelphia, No. 28, composed of gold-beaters in New York City, being the first Local Assembly to be organized outside of Philadelphia. Previous to January, 1875, fifty-two Locals had been organized in Philadelphia, and about two hundred and fifty in other parts of the country, principally in the mining regions of Pennsylvania, West Virginia, Indiana, and Illinois.

As already stated, the ritual being unwritten, and existing only in the memory of the officers of Local Assembly No. 1, when new Locals were founded, the officers of Assembly No. 1 were obliged to fill the positions until the ritual could be learned from word of mouth by the officers of the new assemblies. This tedious method of communicating the ritualistic work necessitated some more complete organization; and, to meet this necessity, the committee on the ritual of the original Assembly was extended so as to comprise a Committee on the Good

of the Order, to answer for all matters relating to the ritual. To it, also, were committed all matters of dispute arising in the Local Assemblies. This Committee on the Good of the Order very naturally constituted a board of appeal, and performed all the functions of a District Assembly, and thus became practically the first District Assembly in the Order. The work of the committee, however, becoming very severe, it projected a ritual for a higher body, to be known as a District Assembly. With the growth of the Order and the extension of the number of Local Assemblies, the proposition of the Committee on the Good of the Order of Local Assembly No. 1 began to be thoroughly appreciated. Local Assembly No. 1, therefore, sent calls to all the Assemblies then in existence, requesting them to choose delegates for the purpose of founding a District Assembly, to consist of delegates from all the Local Assemblies. These delegates met in Philadelphia on Christmas Day, 1873, and organized District Assembly No. 1; and, upon this organization, the committee of Local Assembly No. 1 surrendered all its general powers to the District Assembly.*

Many Local Assemblies, as already stated, had been organized in Philadelphia at the time of the foundation of District Assembly No. 1, besides those created outside of the city. It is worthy of note, therefore, that the Local Assemblies sending delegates upon the call of the original assembly to constitute a District Assembly comprised but few of the Locals already organized in the city. They were as follows: garment-cutters, No. 1; black-smiths and boiler-makers, No. 17; carpet-weavers, No. 23; ship-carpenters and calkers of Camden, No. 31; cigar-

* There being no assembly above the District Assembly, no charters, of course, could be given to District Assemblies; but when, in August, 1878, the General Assembly was organized, a charter, antedated to Christmas Day, 1873, was issued for District Assembly No. 1, organized as above stated. This was done that the doings of the original District Assembly prior to the institution of the General Assembly might be legalized.

makers, No. 53; shoemakers, No. 64; stove-makers, No. 116; bolt-makers, No. 131; train-hands, No. 260; and another assembly, No. 262.

The membership of the Order continued to increase during the years following the organization of District Assembly No. 1, so that the following District Assemblies had been created substantially in the same manner as had been District Assembly No. 1, by voluntary delegations from surrounding Local Assemblies: In New Jersey, District Assembly No. 2; in Pittsburgh, No. 3; in Reading, No. 4; in Charleston, West Virginia, No. 5; in Akron, Ohio, No. 7; in Pittsburgh, No. 8; in West Elizabeth, No. 9; and, in various places, other District Assemblies had been created, so that the total number was about sixteen. But District Assembly No. 1 had, through the acquiescence of all concerned, been considered the head of authority.

Late in 1877, the officers of District Assembly No. 1, following the example of its parent, Local Assembly No. 1, sent an invitation to all District Assemblies then in existence to choose delegates for the organization of a General Assembly of the Knights of Labor, the proposition being that, should such a General Assembly be organized, it should have a constitution and be governed by salaried officers. These delegates met at Reading, Pennsylvania, January 1, 1878, and organized the first General Assembly. Mr. Stephens, the founder, was called to the chair, pending permanent organization. The delegates were in session four days, the following officers being chosen: Grand Master Workman, Uriah S. Stephens, of Philadelphia; Grand Worthy Foreman, Ralph Beaumont, of Elmira, New York; Grand Secretary, Charles H. Litchman, of Marblehead, Massachusetts; Grand Assistant Secretary, John G. Laning, of Clifton, West Virginia; Grand Treasurer, Thomas M. Gallagher, of St. Louis, Missouri.

Seven States were represented in this first General

Assembly; and the garment-cutters, miners, shoemakers, machinists, locomotive engineers, stationary engineers, glass-workers, moulders, printers, coopers, blacksmiths, boiler-makers, nail-packers, teachers, and carpenters were the bodies represented. District Assembly No. 16, of Scranton,* Pennsylvania, was represented by Terrence V. Powderly.

This brings the history of the Order to one of its most critical periods. At the date of the formation of the General Assembly, only nine of the fifty-two Locals previously organized in Philadelphia were working. All the others had lapsed, although they have been reorganized since. Only eleven District Assemblies were working at the date of the formation of this first General Assembly. Mr. Stephens, the founder, was the first Master Workman of Local Assembly No. 1, first District Master Workman of District Assembly No. 1, and first Grand Master Workman of the General Assembly. The order was now in complete working condition, organized on the basis of all governments,—the Local Assembly, or primary formation, like towns, communes, and townships; the District Assembly, comprising so many Locals, following the State and county organizations; and the General Assembly being the grand federal head of all. And yet at this time, in January, 1878, when the whole machinery of the organization was perfected so far as bodies were concerned, there had been no general declaration of principles. The Order had been intensely secret, as much so as the society of the Masons or of the Odd Fellows. The name of the Order began to be whispered about; but, beyond the name and most exaggerated accounts of the membership, nothing was known of the Knights of Labor. The membership must have been small,—indeed, not

*The District Assembly organized in West Virginia and the District Assembly organized at Scranton, Pennsylvania, were, through some mistake, both numbered 5. After the formation of the General Assembly, the District at Scranton was assigned No. 16.

counting far into the thousands. In fact, it did not reach fifty thousand until five years later, although, at the organization of the first General Assembly, rumor placed the membership at eighty thousand. This may have come from the fact that, about this time, the strict secrecy in the workings of the Order, and the fact that the obligations were oaths taken on the Bible, brought on a conflict with the Catholic Church, and during the years 1877-78 many Local and several District Assemblies lapsed. This emergency, which threatened the existence of the Order, necessitated a special session of the General Assembly, which was held at Philadelphia in June, 1878. At this session, resolutions to make the name of the Order public, to expunge from the ritual all Scriptural passages and quotations, and to modify the initiatory exercises so as to remove the opposition coming from the Church, were submitted to the vote of the Locals and the Districts of the country. Through the influence of these resolutions, measures were adopted whereby a satisfactory conciliation was brought about, on the general ground that the labor movement could consistently take no interest in the advocacy of any kind of religion, nor assume any position for or against creeds. The prejudices against the Knights of Labor on account of Catholic opposition then naturally, but gradually, disappeared; and the Order took on new strength, until there were in 1879 twenty-three District Assemblies and about thirteen hundred Local Assemblies in the United States. Prior to this emergency, much attention had been paid to what is known in secret societies as degree work; and the system of graduation from office to office took regular form, and was carried out, as in the older secret institutions. The degree work, however, is not now known in the Order, there being no degrees in the sense of secret organizations.

The second annual session of the General Assembly was held at St. Louis, January 14, 1879. The business trans-

acted at this session related to general legislation for perfecting the organization. It was also decided that the sessions of the General Assembly thereafter should be held in September of each year. This session granted to the District Assemblies the privilege of announcing to the public the name of the Order, requiring a two-thirds vote, however, of the delegates constituting the District Assembly passing upon the matter. Mr. Stephens was re-elected Grand Master Workman, Mr. Litchman being retained as Grand Secretary; while James McGinness, of Kentucky, was chosen Grand Assistant Secretary, and William H. Singer, of Missouri, took the place of Grand Treasurer.

The third annual session of the General Assembly was held at Chicago, in September, 1879, when the federal body busied itself with general legislation, and was called upon to consider the resignation of Mr. Stephens as Master Workman. This resignation, urgently pressed by Mr. Stephens, was accepted; and Hon. Terrence V. Powderly* was elected Grand Master Workman in his place.

*Terrence V. Powderly was born in Carbondale, Luzerne County, Penn., Jan. 22, 1849, his parents being among the first settlers of that city. They were Irish, and he was one of nine children. He attended school six years, and, when thirteen years old, went to work as switch-tender for the Hudson & Delaware Canal Company. When seventeen years of age, he went into the machine-shop of the company, learning the trade of a machinist, and proving himself an intelligent, expert, and faithful workman. At nineteen, he removed to Scranton, where he secured a situation in the machine-shops of the Delaware, Lackawanna & Western Railroad Company. Shortly after coming to Scranton, Mr. Powderly became a member of the Machinists and Blacksmiths' Union No. 2, the members of which, soon recognizing his abilities, elected him president, which position he held for two years, after which he was elected corresponding secretary, in which capacity he served, with the exception of one year, until 1880. During the panic of 1873, he, among others, was suspended from the employment of the railroad company for the supposed reason of his active connection with the Machinists and Blacksmiths' Union. He then removed to Galion, Ohio, where he worked but a short time, when he was again discharged. Mr. Powderly then obtained employment in Oil City, joining Machinists and Blacksmiths' Union No. 6, of that place, by which he was elected a delegate to a district convention of the unions of Pittsburgh, Meadville, Titusville, and Oil City, the convention being held at Franklin.

Richard Griffiths, of Illinois, was chosen Grand Worthy Foreman; and Mr. Litchman re-elected as Grand Secretary, the Grand Assistant Secretary being Gilbert Rockwood, of Boston, and the Grand Treasurer Dominick Hammer, of Ohio. At the time of the meeting of this session, the reports showed that seven hundred Local Assemblies had been chartered. The Assembly represented, however, but one hundred and two. The membership was stated to be five thousand in good standing; but the routine of the Order had not been perfected, and the reports of membership were very imperfect. It is therefore reasonable to assume that a much larger membership existed than was shown by the reports.

The next annual meeting of the General Assembly (the fourth) took place at Pittsburgh, in September, 1880, and consisted of forty delegates. At this session, strikes were denounced as injurious, and as not worthy of support, except in extreme cases. No important special legislation other than this, however, was enacted; but the machinery

He was again elected a delegate to represent the same unions at Louisville, where the convention of the Machinists and Blacksmiths' International Union was held in September, 1874. Soon after this, he became a member of the Industrial Brotherhood of the United States, and was commissioned deputy president for Western Pennsylvania. While acting in this capacity, he organized several Assemblies of the Industrial Brotherhood in the vicinity of Pittsburgh. Returning then to Scranton, he was employed by the Lackawanna Coal and Iron Company in putting up the machinery of their steel works. During the same year, Mr. Powderly joined the Knights of Labor; and, shortly after his connection with that Order, was elected secretary of the District Assembly to which his Local Assembly belonged. After leaving the Lackawanna Coal and Iron Company, he was engaged by the Dickson Manufacturing Company in their Cliff Locomotive Works, and, soon after entering their employment, was promoted to the foremanship of one of the departments. Becoming interested in the Greenback-Labor Party, he took an active part in the campaign for Luzerne County, calling the County Convention. He travelled on foot from one end of the county to the other, distributing ballots and documents calculated to encourage the workers. The county of Luzerne is seventy-five miles in length; yet Powderly acted as secretary and chairman of the committee, doing his work on foot, having no money with which to pay railroad fare. During this campaign, he contracted a severe cold, from which he has never fully recovered. His eyesight also failed from over-exertion. As a recognition of his services, he secured the Greenback-Labor nomination for

for the work of the Order was further perfected, and Grand Master Workman Powderly was re-elected.

The fifth session was held in September, 1881, at Detroit. This session had to deal with one of the most important actions in the history of the Order. The General Assembly then declared that on and after January 1, 1882, the name and objects of the Order should be made public. It also declared that women should be admitted upon an equal footing with men. A strong committee was appointed to revise the constitution and the ritual, and instructed to report at the next annual session. A co-operative law was passed (originally made compulsory, but changed to voluntary payment at the New York session the next year). A benefit insurance law was also passed, and an entire change of the ritual was advised. This action was brought about because the Order did not grow in numbers; and, from all quarters, the desire was expressed to make the name and principles of the Order public. In fact, many of the District Assemblies had

mayor of Scranton in 1877, and was elected by a majority of five hundred and thirty-one. He was re-elected in 1878, in which year he was nominated by acclamation for lieutenant-governor of Pennsylvania on the National Greenback-Labor ticket, but declined the nomination. He was a third time offered the nomination for mayor of Scranton, with every prospect of re-election; but, being now General Master Workman of the Knights of Labor, he found the duties of the latter position too arduous to admit of his holding any other office, and so declined. In 1878, Mr. Powderly gave considerable attention to the study of the law, and while mayor of Scranton obtained a very good legal training and habit. Since his induction into the Order of the Knights of Labor, Mr. Powderly has given it his entire attention and a vast amount of study. He found it a close, oath-bound body; but at the Detroit General Assembly, in 1881, he urged the abolition of oaths and the removal of the obligation of secrecy. This did away the chief objection which the Catholic clergy had made to it, and strengthened the Order among the workingmen.

The resignation of Mr. Stephens at the Chicago session of the General Assembly, in 1879, was for reasons entirely honorable to Mr. Stephens and perfectly legitimate, although, in some degree, the change in the head of the Order was due to the fact that Mr. Stephens was a thorough believer in the policy of maintaining its secrecy, while Mr. Powderly advocated the necessity of publicity. The memory of Mr. Stephens is held sacred by all Knights of Labor, and the Richmond convention appropriated \$10,000 for the erection of a home for his family.

been working openly. Mr. Powderly was re-elected Grand Master Workman.

The sixth annual assembly was held in New York in September, 1882, the chief business consisting in the discussion, and finally in the adoption, of a revised constitution and ritual. At this Assembly, what is known as the "strike" element—that is, the supporters and believers in strikes—was in the majority, and laws and regulations for supporting strikes were adopted; and the co-operation of members was suppressed by a change of the co-operative law of the Order. Mr. Powderly was re-elected Grand Master Workman. The Order now began to be known, and many exaggerated accounts found their way into the press. These exaggerated accounts caused the Order to grow rapidly, General Master Workman Powderly stating at this convention that

One cause for the tidal wave of strikes that has swept over our Order comes from the exaggerated reports of the strength of the Order, numerically and financially, given by many of our organizers. Such a course may lead men into the Order, but by a path that leads them out again; for, as soon as they become convinced that they were deceived, they lose confidence in the Order.

In February, 1882, Past Master Workman Stephens died at Philadelphia.

The seventh annual session of the General Assembly was held at Cincinnati in September, 1883, and consisted of one hundred and ten representative delegates. This session lasted for eight days. This large representation was owing to the rapid growth of the Order since the name and objects had been made public. The legislation at this session was not particularly important, although the discussions were so. The strike element was less fully represented than before. The laws were amended both by changes and additions, and members were instructed to discuss in their District and Local Assemblies the eight-hour question and the institution of Bureaus of

Labor Statistics. At this meeting, the title of the officers of the General Assembly was changed from "Grand" to "General." The membership of the Order was reported at this Assembly to be, in round numbers, fifty-two thousand.

In September, 1884, the eighth annual Assembly convened at Philadelphia. Strikes and boycotts were denounced, the declaration of principles was revised and improved, and the constitution and general legislation amended. The date of the meeting of the General Assembly was changed to October. The membership of the Order was reported at seventy-one thousand.

The ninth General Assembly convened at Hamilton, Ontario, in October, 1885, and adopted legislation looking to the prevention of strikes and boycotts. The session lasted eight days, the membership being reported at one hundred and eleven thousand. In this year, also, a special session was held in Cleveland, Ohio, in May, for the purpose of taking action looking to the protection of the Order against unauthorized strikes and boycotts by District and Local Assemblies. This session lasted from May 25 to June 3. Long discussions relative to the attitude of trades-unions consumed much time. The two ideas on which labor organizations are founded, as stated in the beginning of this sketch, were brought into sharply defined antagonism, the trades-unions struggling to preserve their trade organizations as against what was considered the encroachment of the Knights of Labor, while the Knights of Labor contended that their Order embraced higher and grander principles than those underlying the organization of trades-unions.

The tenth annual session of the General Assembly was held at Richmond, Virginia, in October, 1886. Not much important legislation was added to the laws of the Order, and the constitution was in no way changed. Mr. Powderly was re-elected General Master Workman, as he had

been annually since his elevation to that office. From a source entirely trustworthy, I am able to state that at the time of the meeting of the Richmond Assembly there were about one hundred and sixty District Assemblies and nearly nine thousand Local Assemblies; while the membership was, in round numbers, seven hundred and thirty thousand. The growth from the number reported in July, 1885,—one hundred and eleven thousand, in round numbers,—to the next annual meeting, it is seen, was very rapid. No trade organization anywhere can show such wonderful increase. Mr. Powderly, in his testimony before the Strike Investigating Committee of Congress, April 21, 1886, made the following statement as to membership: "Our present membership does not exceed five hundred thousand, although we have been credited with five million." This statement indicates a growth of nearly four hundred thousand in one year. The growth was so rapid that the Executive Board of the Order felt constrained to call a halt in the initiation of new members. To-day (December 10, 1886), while the membership has fallen off in some localities, from various causes, in the whole country it has increased, and is, according to the best inside estimates, not much less than one million. The Order occupies nearly every State with its Local and District Assemblies.

I have thus sketched the origin and growth of the Order. This is its material history, rapidly drawn. Its intellectual history is of far more importance to the public, and is to be found in the declaration of principles, the constitution, and the legislation of the Knights of Labor. Prior to 1878, no declaration of principles had been made. The unwritten law of the Order was observed, the membership was small, and Local and District Assemblies few. The officers initiating members or installing officers could easily impart the precepts and the principles of the unwritten law of the Order; but, as it grew in numbers and

HISTORICAL SKETCH OF THE KNIGHTS OF LABOR 157

its influence extended over vast areas, written laws and written declarations became not only essential for the well-being of the Order, but a necessity for its working. Prior to the abandonment of the secrecy of the workings of the Order in 1881, when the oath-bound obligations were abolished and the simple pledge took its place, a declaration of principles had been adopted. This declaration, adopted at the meeting of the General Assembly at Reading in January, 1878, embodied the first fifteen of the articles printed below. Other articles have been adopted from time to time, so that the Knights of Labor now stand upon the following

DECLARATION OF PRINCIPLES.

The alarming development and aggressiveness of great capitalists and corporations, unless checked, will inevitably lead to the pauperization and hopeless degradation of the toiling masses.

It is imperative, if we desire to enjoy the full blessings of life, that a check be put upon unjust accumulation, and the power for evil of aggregated wealth.

This much desired object can be accomplished only by the united efforts of those who obey the divine injunction, "In the sweat of thy face shalt thou eat bread."

Therefore, we have formed the Order of Knights of Labor, for the purpose of organizing and directing the power of the industrial masses, not as a political party, for it is more,—in it are crystallized sentiments and measures for the benefit of the whole people; but it should be borne in mind, when exercising the right of suffrage, that most of the objects herein set forth can only be obtained through legislation, and that it is the duty of all to assist in nominating and supporting with their votes only such candidates as will pledge their support to those measures, regardless of party. But no one shall, however, be compelled to vote with the majority; and, calling upon all who believe in securing "the greatest good for the greatest number" to join and assist us, we declare to the world that our aims are:—

I. To make industrial moral worth, not wealth, the true standard of individual and national greatness.

II. To secure to the workers the full enjoyment of the wealth they create, sufficient leisure in which to develop their intellectual, moral, and social faculties, all of the benefits, recreation, and pleasures of association; in a word, to enable them to share in the gains and honors of advancing civilization.

In order to secure these results; we demand at the hands of the State:—

III. The establishment of Bureaus of Labor Statistics, that we may arrive at a correct knowledge of the educational, moral, and financial condition of the laboring masses.

IV. That the public land, the heritage of the people, be reserved for actual settlers, not another acre for railroads or speculators; and that all lands now held for speculative purposes be taxed to their full value.

V. The abrogation of all laws that do not bear equally upon capital and labor, and the removal of unjust technicalities, delays, and discriminations in the administration of justice.

VI. The adoption of measures providing for the health and safety of those engaged in mining, manufacturing, and building industries, and for indemnification to those engaged therein for injuries received through lack of necessary safeguards.

VII. The recognition by incorporation of trades-unions, orders, and such other associations as may be organized by the working masses to improve their condition and protect their rights.

VIII. The enactment of laws to compel corporations to pay their employees weekly in lawful money for the labor of the preceding week, and giving mechanics and laborers a first lien upon the product of their labor to the full extent of their wages.

IX. The abolition of the contract system on national, State, and municipal works.

X. The enactment of laws providing for arbitration between employers and employed, and to enforce the decision of the arbitrators.

XI. The prohibition by law of the employment of children under fifteen years of age in workshops, mines, and factories.

XII. To prohibit the hiring out of convict labor.

XIII. That a graduated income tax be levied.

And we demand at the hands of Congress:—

XIV. The establishment of a national monetary system, in which a circulating medium in necessary quantity shall issue direct to the people, without the intervention of banks; that all the national issue shall be full legal tender in payment of all debts, public and private; and that the government shall not guarantee or recognize private banks or create any banking corporations.

XV. That interest-bearing bonds, bills of credit, or notes shall never be issued by the government; but that, when need arises, the emergency shall be met by issue of legal-tender, non-interest-bearing money.

XVI. That the importation of foreign labor under contract be prohibited.

XVII. That, in connection with the post-office, the government shall organize financial exchanges, safe deposits, and facilities for deposit of the savings of the people in small sums.

XVIII. That the government shall obtain possession, by purchase, under the right of eminent domain, of all telegraphs, telephones, and railroads; and that hereafter no charter or license be issued to any corporation for construction or operation of any means of transporting intelligence, passengers, or freight.

And, while making the foregoing demands upon the State and national government, we will endeavor to associate our own labors:—

XIX. To establish a co-operative institution, such as will tend to supersede the wage system, by the introduction of a co-operative system.

XX. To secure for both sexes equal pay for equal work.

XXI. To shorten the hours of labor by a general refusal to work for more than eight hours.

XXII. To persuade employers to agree to arbitrate all differences which may arise between them and their employees, in order that the bonds of sympathy between them may be strengthened, and that strikes may be rendered unnecessary.

With numerical success came the necessity for constitutional regulations. The General Assembly which met at Reading, January 1, 1878, largely through the influence of Mr. Powderly adopted a constitution for the General Assembly, for District Assemblies, and for Local Assemblies. This has been subject to revision, however, at every General Assembly since, except the Richmond Assembly in 1886. The constitution adopted for Local Assemblies—they constituting the primary organizations of the Order—contains a preamble, declaring substantially that the Local Assembly is not a mere trades-union or beneficial society, but that it is more and higher, gathering into one fold all branches of honorable toil, without regard to nationality, sex, creed, or color, not founded simply to protect one interest or to discharge one duty, however great the one interest or the one duty may be. It declares that the Local Assembly seeks not only to

maintain and foster all the fraternal characteristics of the single trades-union, but by the multiplied power of the union to protect and assist all. It further declares:—

The Local Assembly aims to assist members to better their condition, morally, socially, and financially. It is a business firm, every member an equal partner, as much so as a commercial house or a manufacturing establishment. All members are in duty bound to put in their equal share of *time and money*. The officers elected must not be expected to "run it," and the rest of the partners do nothing, as in the case of mere societies. While acknowledging that it is sometimes necessary to enjoin an oppressor, yet strikes should be avoided whenever possible. Strikes, at best, only afford temporary relief; and members should be educated to depend upon thorough organization, co-operation, and political action, and, through these, the abolishment of the wage system. Our mission cannot be accomplished in a day or generation. Agitation, education, and organization are all necessary. Among the higher duties that should be taught in every Local Assembly are man's inalienable inheritance and right to a share, for use, of the soil; and that the right to life carries with it the right to the *means* of living; and that all statutes that obstruct or deny these rights are wrong, unjust, and must give way. Every member who has the right to vote is a part of the government in the country, and has a duty to perform; and the proper education necessary to intelligently exercise this right, free from corrupting influences, is another of the higher duties of a Local Assembly. In short, any action that will advance the cause of humanity, lighten the burden of toil, or elevate the moral and social condition of mankind, whether incorporated in the constitution or not, is the proper scope and field of operation of a Local Assembly.

The usual constitution of the Local Assembly consists of thirteen articles, and is very much like the constitutions of all organizations, except it is more elaborate.

Article I. provides that a Local Assembly of the Order of the Knights of Labor shall be known by a name and the number assigned by the General Secretary-Treasurer, and shall be composed of not less than ten members, at least three-fourths of whom must be wage-workers or farmers, which proportion is to be maintained for all time. The same article excludes from membership all persons who

sell, or who make a living or any part of it by the sale of, intoxicating drink, either as manufacturer or dealer or agent, or through any member of the family. It also excludes lawyers, bankers, professional gamblers, and stock-brokers. The details relating to methods of securing membership are given very fully, but have no particular public value.

Article II. relates to travelling and transfer cards and means for severing membership with a Local Assembly for the purpose of joining some other, and kindred regulations.

Article III. relates to dues and assessments.

Article IV. designates the officers and defines their duties. The officers of a Local Assembly consist of a Master Workman, Worthy Foreman, Venerable Sage, Recording Secretary, Financial Secretary, Treasurer, Worthy Inspector, Almoner, Statistician, Unknown Knight, Inside Esquire, Outside Esquire, and Insurance Solicitor, and three Trustees, who shall be custodians of all property and funds of the Local Assembly. These officers, with the exception of the Venerable Sage, are elected semi-annually by ballot, or by acclamation, should there be but one candidate.

The remainder of the articles relate to suspended members, Local Courts for the trial of grievances, misdemeanors, and violations of the laws of the Order, and the minor duties of the Assembly.

The constitution for District Assemblies consists of ten articles. Article I. provides that a District Assembly shall be composed of duly accredited delegates from at least five Local Assemblies, each Local being entitled to at least one delegate to the District Assembly; but the representation may be fixed by the District Assembly to suit its interests. A District Assembly is the highest tribunal of the Order of the Knights of Labor within its jurisdiction, under the general laws of the Order. It has power to

levy assessments for its maintenance upon all Locals composing the District Assembly and adopt rules and regulations for the government of trade and local affairs. It has power to establish Local Assemblies in the territory governed by it.

Article II. provides for the election and certification of delegates from the Local Assemblies, and regulates their attendance.

The officers and their duties are designated under Article III., the officers being similar to those of the Local Assembly in name, except the word "District" is placed before the title, as "District Master Workman," and the like; the officers constituting a Committee of Superintendence for their District, to which reference is made as to authority and modes of working, for instructions and advice.

Article IV. provides for District Courts, to be chosen annually at each District Assembly, the duty of such a court being to review and determine all cases appealed from the court of a Local Assembly; and there is a right of appeal from the decision of such District Court to the General Assembly. This article also provides for the discipline of the Order and for the government of members.

Articles V. and VI. relate to matters of detail which need not be stated.

Article VII. has more interest for the public, and is of more vital importance than any other. It relates to strikes and arbitration, and in full is as follows:—

SECTION 1. District Assemblies may adopt such rules and regulations in regard to strikes as they deem best, but no strike shall be entered into or authorized until every possible effort has been made to settle the difficulty by arbitration. Thorough organization is essential for successful arbitration; and, where arbitration fails, strikes, as a rule, are failures. The first duty, therefore, of Locals and Districts, is to perfect the organization of our Order.

SECTION 2. An Executive Board shall be established in each District Assembly, who shall have power to accept or reject the terms

offered by the employers in any contemplated strike or lock-out affecting the District Assembly or any of its Locals, subject to such laws as the District Assembly may have adopted.

Articles VIII., IX, and X. relate to routine business.

The constitution of the General Assembly is rather an imposing document. It consists of twenty articles, but reference need be made only to those of importance to the public.

Article I. defines the name, jurisdiction, and membership of the Order. It declares that the body shall be known as "The General Assembly of the Knights of Labor of America," and shall be composed of representatives, or alternates, chosen by the District Assemblies, each District Assembly being entitled to one representative (or alternate) for the first one thousand members or less, as shown upon the reports for the quarter ending July 1st of each year, and one for each additional one thousand members, or majority fraction. Local Assemblies attached to the General Assembly are also entitled to representation in the latter, under proper regulations. The General Assembly has full and final jurisdiction, and is the highest tribunal of the Order of the Knights of Labor. It alone possesses the power and authority to make, amend, or repeal the fundamental and general laws of the Order; finally to decide all controversies arising in the Order; to issue all charters to State, District, and Local Assemblies, and to issue travelling and transfer cards, and all supplies requiring uniformity; to prohibit the sale of intoxicants at entertainments given by assemblies of the Order. And it can also tax the members of the Order for its maintenance.

Articles IV. and V. classify the officers, their terms of office, and their duties. All elections must be by ballot, unless there be but one candidate. The officers are elected at each annual session of the General Assembly; and their titles correspond almost completely with those

of the Local and District Assemblies, with the exception that the word "General" takes the place of "District," as "General Master Workman," "General Worthy Foreman."

Article VI. provides for the revenues of the General Assembly, and declares that it shall be derived as follows: For charters for District Assemblies, \$10; for charter and supplies for Local Assemblies, \$16; for charter and supplies for a Local Assembly composed wholly of women, \$11; and the same for a charter upon the reorganization of a lapsed Local. Various fees are also provided for other services, as for duplicates. In addition to these revenues, each Local Assembly shall pay direct to the General Treasurer six cents per quarter for each member in good standing upon the books upon the first days of January, April, July, and October of each year.

Article VIII. provides for a co-operative fund, the uses of which are defined in Article XVII., the grand object of the Order being to introduce the principles of co-operation in all directions, not only in their own work and obligations, but in productive and distributive enterprises. The views of the Order in this respect are well illustrated by the fact that no officer gives bonds, the Knights considering that their Treasurer is *their* Treasurer, responsible *to* them and they responsible *for* him. As, for instance, should the General Treasurer embezzle \$100,000 of the funds of the Order, and the Order consists of one million members, each member is bondsman in the sum of ten cents. This works no hardship to any one; while, under the old competitive system, some bondsman or a few bondsmen would be obliged to pay the \$100,000, that the one million might save ten cents each. Such practice the Knights regard as rank injustice. Their practice in this respect is in direct accordance with their motto,—“That is the most perfect government in which an injury to one is the concern of all.”

Article XV. establishes an "Assistance Fund," and requires that each Local Assembly shall set apart for the purposes of this fund the sum of five cents per month for every member in good standing. In this article occurs a section as follows: "No strike shall be declared or entered into by any member or members of any Local Assembly without the sanction of the District or Local Assembly, as the case may be." This section, with the one given from the constitution of the District Assembly, stands as the only constitutional declaration of the Knights of Labor relative to strikes. At the special session, held at Cleveland in May, 1886, a temporary rule was established, indicated by the following report of a committee to whom were referred proposed amendments relative to strikes:—

That before a strike is ordered or entered upon by any Local Assembly attached to the General Assembly, or any Trade Assembly, District Assembly, or State Assembly, a secret ballot shall be taken of all the members in good standing composing the same; and in no case shall a strike be ordered or entered upon without two-thirds of the votes cast are in favor of the strike; and that a secret ballot shall be taken during the strike whenever the General Assembly, Trade Assembly, District Assembly, or State Assembly Executive Board shall order; and, should the number voting in favor of continuing fall below a majority, the best possible terms shall be sought, and the strike declared off.

That no strike shall be entered upon or sanctioned by any Local, Trade, District, or State Assembly, when aid, financial or otherwise, may be required from outside such Assembly, until the General Executive Board shall have been represented by one or more of its members, or assistants, in an effort to settle the pending difficulty by arbitration, and then only by order of the General Executive Board.

Any strike entered upon without such order by the General Executive Board shall receive no assistance, financial or otherwise, from the Order outside of such Assembly; nor shall any appeal to the Order for such aid be permitted.

Representative Foster, of Massachusetts, amended by adding "when over ten members are affected by the strike."

Representative Buchanan, of Colorado, further amended, which

was accepted by Representative Foster: "when over twenty-five persons are obliged to quit work on account of the strike." So ordered. The original motion, as amended, was then adopted.

Whatever force there was in this change, it fell with the meeting of the Richmond Convention, so that now the law of the Order stands as stated.

From the formation of the General Assembly in 1878 up to 1883 there was a strong element in the Order in favor of supporting strikes, and strike-funds were raised by a tax on the members. Meanwhile, the more advanced thinkers in the Order, led by Mr. Powderly, were trying to educate the members to use other means for the settlement of labor difficulties, and so far succeeded that at the Cincinnati session, in 1883, the strike-laws were made so rigid that they practically amounted to a prohibition of strikes, so far as the support of the Order was concerned. The laws now in force do not permit the support of a strike by the whole Order. A lock-out, where members are refused employment simply because they are members, can be supported. A Local or District Assembly may order a local strike. If called upon, the General Executive Board may endeavor to effect a settlement; or, if the strike threatens to involve the interests of the whole Order, then the Executive Board may step in and take charge, to protect the Order. The Executive Board does not of its own accord interfere until the strike or boycott threatens to work injury to the whole Order.

Article XVI. provides for a Benefit Insurance Association of the Knights of Labor of America. It is not compulsory upon members to contribute to this association. The management of its affairs are under the control of the proper officers, represented by the Insurance Secretary, the Insurance Association having its own board of officers.

The salaries of officers until the meeting of the General Assembly at Richmond, in October last, were meagre indeed, in comparison with the duties performed, the Gen-

eral Master Workman receiving but \$1,500 a year and his necessary travelling expenses. He now receives \$5,000 per annum. The officers have been changed somewhat, the present general officers being as follows: General Master Workman, T. V. Powderly; General Foreman, Richard Griffiths; General Secretary, Charles H. Litchman; General Treasurer, Frederick Turner.

The literature of the Order has not as yet been extensive. The *Journal of United Labor* is the official organ of the Order. The first number of this journal was issued May 15, 1880, under the direction of Mr. Charles H. Litchman, then General Secretary, and was published monthly. Since 1884, it has been issued semi-monthly at Philadelphia. It is an interesting publication, and the files have been generously placed at my disposal. With the vast constituency of the Knights of Labor behind it, it has a support which brings it success.

The real growth of the Order may be said to date from the Detroit session in 1881, when the strict secrecy of the Order was abolished, and it was declared that its name and objects should henceforth be made public. The Richmond Convention may be looked upon as marking an epoch in the history of the Order, although the results of this congress are not yet fully developed. It did much, both in an affirmative and in a negative way. The conservative force of Mr. Powderly was retained by his almost unanimous re-election. Mr. Powderly, himself an ardent Catholic, shields the Order by his own membership from the antagonism of his Church to all secret societies.

Resolutions looking to the elevation of the Order, as well as resolutions defining principles and objects, were much discussed at Richmond, but without resulting in legislation or any constitutional change. A warm discussion also took place over the following resolutions, which were finally adopted:—

That this General Assembly appeals for mercy for the seven men at Chicago to be executed.

That, while we ask for mercy for the condemned men, we are not in sympathy with the acts of the Anarchists, nor any attempts of individuals or associated bodies that teach or practise violent infractions of the law, believing that peaceful methods are the surest and best means to secure the necessary reform.

Whether this great Order is to be hereafter a factor for good or for evil, depends upon the wisdom, not alone of its leaders, but of that vast army of workers constituting its rank and file. It stands to-day as an organization representing the opposite of the trades-union, and is bending all its energies to preserve the broad principle of the harmonious interworking of all interests, as against the trades-union idea, which comes closer to human nature, of the preservation of individual interests. Which idea will survive and become the leading fundamental element of the future great labor organizations is the problem. Whichever it may be, the prayer of every patriotic citizen is that the organization based upon the surviving idea shall work for the cause of humanity, for the preservation of order and the recognition of the law. Certain it is that neither the trades-unions nor the Knights of Labor call upon their members for any obligation or pledge interfering with their duties as citizens. They know that they must stand on the principle that a man must be a citizen first, and a good, law-abiding citizen, before he can be a faithful member of any organization within society.

CARBOLL D. WRIGHT.

(NOTE.—The discussion of the principles and practices of the Knights of Labor, the analysis of such principles, and the expression of opinions thereon are not within the scope of this paper, the object being simply to state with accuracy the leading historical events connected with the Order. In making this statement, I have had the assistance of past officers and worthy members of the Order, and to them the paper in its completed form has been submitted, and by them pronounced true in all its statements of fact.—C. D. W.)

THE DISPOSITION OF OUR PUBLIC LANDS.

JAN. 25, 1785, General George Washington wrote a letter in which occurs the following passage: "There being no settlement or appropriations [of land] (except the reservation in favor of the Virginia line of the army), to my knowledge, in all the country north-west of the Ohio." In 1883, according to an official publication of the Public Land Commission, there were "purely arable lands remaining in the West (estimated), five million acres," and "the movement westward in search of free government lands must soon cease." No more timely and interesting service could be performed than to consider the probable effect of the impending change. For a century, our political, economic, and social, relations have been sensibly affected by the nearness, accessibility, and cheapness of government land. The population of the country has at last overtaken our unsettled domain. Henceforth, our conditions must be more like those of old and crowded countries. The nation has had, enjoyed, and spent, a part of its heritage; and can never recover it.

To speculate upon the future is, however, more difficult and less profitable than to consider the mistakes of the past. The present article is an attempt to show how it comes about that the arable lands of the United States government are on the verge of exhaustion. Three questions will be considered in turn,—the acquisition of the lands, their disposition, and the policy of the government.

The first table given in the Appendix of this number shows how the United States acquired its lands. The government of the United States deals with territory in three different aspects. As a general government, it exercises jurisdiction over all the area included within the

boundaries of the United States; as a government, it controls, or provides for the control of, that part of the national territory not organized into States; as a landholder, it owns large tracts of lands within both States and Territories. In the first column of the table is presented a statement of accessions of territory. The Congress of the United States went into the business of governing the nation, March 1, 1781, with 819,815 square miles of territory; and this area was acknowledged to belong to the United States by the treaty of 1783. The first increase of territory came in 1803. The Interior Department has committed itself, in its land and census publications, to the statement that the Louisiana purchase of that year included Oregon. It is more in accordance with the historic truth to say that our title to Oregon, south of the Columbia, dates from the Lewis and Clarke expedition of 1805. The United States, therefore, secured 877,268 square miles in 1803, and 225,948 square miles in 1805. In 1812, acts of Congress extended our jurisdiction over about 9,740 square miles, claimed by Spain, in West Florida. The Florida purchase of 1819 added 54,240 square miles. Texas brought us 262,290 square miles in 1845. Here, again, the government publications conflict with history. New Mexico was never a part of Texas, and our title to that region rests upon the same basis as that to California: it was a part of the conquest of the Mexican War. In 1846, our title to the 58,880 square miles north of the Columbia was acknowledged by England. In 1853, we bought 47,330 square miles of Mexico. Finally, in 1867, Russia ceded to us

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Alaska, with ~~3,561,500~~ square miles. To speak in round numbers, the original area of the United States was doubled by the Louisiana cession; almost as much was added out of Mexican territory; and Oregon and Alaska together make up the fourth quarter of the present area.

The area embraced in the Territories has varied almost

+ 531,409. The figures
 from the table for
 the U. S.

from year to year. Between the years 1784 and 1802, cessions by the States had given to the United States 405,482 square miles; but, besides two little tracts ceded by the United States to Pennsylvania and Georgia, the creation of new States, beginning with Tennessee in 1796, withdrew large regions from the Territorial status. Each annexation increased the Territories for the time being: each admission of a State again reduced it. At present, the Territories cover 1,466,257 square miles, and the States 2,040,252. Since 1820, the area of the States taken together has never been very far from one-half of the total area of the whole United States.

That part of the land within our boundaries which belongs to the nation has by the Land Office been named the Public Domain. The area is a ratio having two variables: at intervals, it is increased by cessions or annexations; every year since 1799, it has been diminished by sale or gift. At the beginning of the existence of the Confederation, in 1781, the government did not control or own a single acre of land. Every part of the United States was claimed by some State, and there were regions covered by two or even three claims. With all its defects and its imbecility, the Confederation did one great service to the nation and to posterity: it succeeded in prevailing upon a number of the States to waive their claims in behalf of the general government. March 1, 1784, the cession of Virginia gave to the United States undisputed title to a large part of the region north of the Ohio River. The previous cession of New York and the later cessions of Massachusetts and Connecticut, in 1785 and 1786, completed the title to the vast tract now occupied by six populous States. In the South, the process was slower. South Carolina ceded her claim in 1787, North Carolina in 1790. It was not till 1802, that Georgia released her hold upon the region now taken up by the States of Alabama and Mississippi.

An inspection of Table I. will show that the United States received title to less land than was included in the cessions. In every case there were reservations. Thus, Connecticut kept for herself the Western Reserve. Virginia liberally provided a bounty tract for her Revolutionary soldiers north of the Ohio River. North Carolina, with a great flourish of trumpets, yielded the region now included within the State of Tennessee; but it was found later that the whole region was covered by State land warrants, so that the United States never held an acre. In addition to the reservations for the benefit of States and their *protégés*, every tract which has come to the government has been reduced by the claims of previous residents. The policy of the government has been, to leave undisturbed actual occupants of small estates, and to construe liberally the grants of previous governments. The Indian occupancy has always been recognized as something which must be purchased before the United States gained full title. Texas retained the whole body of public lands within her limits. With these two exceptions, the United States has, since 1802, had to consider only private claims. As more than one-half of the whole territory (1,865,457 out of 3,501,509 square miles) has once been Spanish, the land titles under the grants and laws of Spain have been a troublesome thorn in the flesh of successive Land Commissioners. No exact record appears of the precise quantities of land confirmed to claimants in California, New Mexico, Louisiana, and Florida, but upwards of fifty thousand square miles have doubtless never entered the public domain. The general policy of the government is to require a claimant to prove his title. Great hardship has often ensued, and many grants are still unconfirmed by the United States.

If the government had never parted with any of the lands to which it had undoubted title, we should now have a patrimony of 2,708,388 square miles. This area is but

little less than that of the whole United States, excluding Alaska. The fourth column of Table I. shows the amount of land in possession of the United States from year to year. It will be noticed that since 1803 we have had more land than exclusive territory. A very considerable part of the public domain lies therefore within the limits of States. Another significant fact, shown by the same table, is the rapid melting away of the area gained by each cession since 1805. We had less land in 1846 than before the Florida and final Oregon annexations; the area of Alaska barely made good the acreage lost since 1848, and a new Texas would not much more than restore the public lands parted with since 1867. Let us look more closely into the process by which the United States has divested itself of more than a million square miles.

Table II., in the Appendix, shows the number of acres disposed of in each year, classified under four heads, which, roughly speaking, account each for one-fourth of the total. First in amount and importance are the sales. The history of the public lands happens to fall into five tolerably distinct periods, each of about twenty years. From 1784 to 1801, the policy of the government was, to sell lands in large quantities by special contract: the result was an average sale of less than one hundred thousand acres yearly. In 1800 was inaugurated a new system of sales, in small lots, on credit: about eighteen millions of acres were thus taken, but more than two and a half millions subsequently reverted to the government under relief acts. In the middle of 1820 began a system of sales for cash, in lots to suit purchasers. Seventy-six million acres were sold in twenty years; but the half of this quantity went in the two years preceding the panic of 1837. After that revulsion, the pre-emption system was adopted, by which the most desirable lands were reserved for actual settlers, at a low price.

Except in the years 1856-57, the sales were steady, and kept pace with the growth of the West. The homestead system carried the principle of land for the landless still further, and cut down cash sales to an average of a million acres a year. Since 1880, pre-emptions have been resorted to again, in many cases for fraudulent purposes. At present, lands are classified by the Land Office as agricultural, saline, town site, mineral, coal, stone and timber, and desert lands. From 1854 to 1862 there was a further class of "graduated lands." These were tracts which had long remained unsold, and were offered to abutters at very low prices. The minimum price for ordinary lands has for many years been \$1.25 per acre. Timber lands and lands reserved from railroad land-grants are sold at the "double minimum" of \$2.50 an acre; mineral lands are valued at \$2.50 and \$5 an acre; coal lands, at \$10 and \$20 an acre.

It would seem, therefore, as though the sale of a hundred and ninety-two million acres must have brought in a handsome sum to the government. As long ago as 1787, Thomas Jefferson wrote: "I am very much pleased that our western lands sell so successfully. I turn to this precious resource as that which will, in every event, liberate us from our domestic debt, and perhaps, too, from our foreign one." It is true that the proceeds of the public lands did eventually wipe out the last vestiges of the debt which had existed in 1787. It is true that the lands had, up to June 30, 1883, brought into the Treasury of the United States the smart amount of two hundred and thirty-three million dollars. It is also true that, except for the period from 1830 to 1840, the lands have been a drain upon, and not a resource of, our finances. At the end of the financial year 1882-83, the government was out of pocket, so far as cash outlay and receipts are measures of the value of the lands, in the sum of \$126,428,484.89. The first great item of expense is the

extinguishment of the Indian title to ownership. Since 1781, the United States government has recognized the right of occupancy, but has asserted its sole prerogative to acquire Indian lands. First and last, up to the end of the fiscal year 1882-83, it had paid two hundred and nine millions of dollars for the interest of the Indian in his lands. There have been grave acts of injustice in the manner of negotiation and of payment, but no inferior race ever received more consideration at the hands of the treaty-making power. The Indians are still in possession of reservations comprising some of the most favored lands in the West and embracing more than a hundred and fifty million acres of land. A second source of expense has been the purchase-money paid for all the annexations since 1802, except that of Oregon. The items taken together make an outlay of upwards of eighty-eight millions. Surveys and expenses of disposition add fifty-five millions. If a strict account were to be made up, there should be added a proportion of the general expenses of maintaining the government, and the whole cost of the Mexican War.

Unsatisfactory as is the financial result of our public land policy, we must reflect that the sales account for but little more than a fourth part of the total disposition. Perhaps we shall find the remainder so used as to give some indirect benefit which cannot be reckoned in dollars and cents. In the second column of Table II. is a partial record of the grants made to individuals. The twenty-year periods are again distinctly marked. In the first four decades, two sorts of grants are apparent. In 1796, and later, provision was made for the fulfilment of long-standing promises to the Revolutionary troops and to the Canadian refugees who had taken sides with the patriots. At the same time, Congress made gifts of small tracts of land to individuals who had performed special services to the republic. Thus, Lafayette received a township of

land in 1824; and in 1843 a square mile was voted to one Lowe for "his gallantry and peril in the rescue of an American brig from the hands of pirates." A very few grants were made to educational and charitable institutions. Thus, Jefferson College, Mississippi, and the deaf and dumb asylums of Kentucky and Connecticut, were each endowed with a township. Congress has always shown a singular moderation in making special grants, perhaps because its general gifts were so magnificent. Of the ten million acres given away, down to 1840, the greater part was in reward for services in the Revolutionary War and War of 1812. For services in the Mexican War, the government appropriated about sixty millions of acres. Another form of gift is the so-called "donations." From 1842 to 1854, acts were passed granting quarter sections of land to actual settlers who would reside on dangerous frontiers. About three millions of acres have been claimed under these conditions. The homestead acts of 1862 introduced a new principle into the public land system: it provided not only for the reservation of land for actual settlers, but it proposed to give the land to all heads of families, citizens of the United States or intending to become such. The effect of the act has been threefold. Under its provisions and those of the similar timber-culture act of 1873, immigration has been stimulated, the revenue from the lands has been comparatively little, and ninety millions of acres have passed from the public domain into private hands. In some respects, the rapid settlement of the West, which has been greatly favored by the generous policy of the government, has undoubtedly conduced to the welfare of the country, and has made possible our elaborate systems of transportation and distribution on a large scale. It is, nevertheless, a question whether the present generation, as well as posterity, might not have been equally prosperous if the government had made the conditions of acquirement more rigorous.

To ascribe the depletion of our reserves of land to the bounty and homestead acts is unjust: the United States has given to the States almost as much as to individuals. Most of the original sixteen States (including Vermont, Kentucky, and Tennessee) were in possession of unoccupied lands in 1802. The new States, as they have been admitted, have received large gifts of three kinds. To most of them have been granted from one to six townships of saline lands,—an aggregate of half a million acres. For all admitted to the Union previous to 1850, have been reserved one thirty-sixth of the public domain within their limits, for school purposes. The fortunate States which have come in since 1850 receive an eighteenth; and a like amount is reserved in each of the Territories, except the Indian Territory and Alaska. The total thus set aside is about sixty-eight million acres. For each of the new States and Territories has also been reserved a tract of from two to four townships for a university,—a total of more than a million. In 1862, Congress granted to each State in the Union lands proportioned to its representation in Congress, for an agricultural college. Nearly ten million acres were thus appropriated. It is at least doubtful whether a system of endowed public schools is desirable. Many of the States have squandered, lost, or misused the lands acquired for educational purposes. In others, the people decline to tax themselves for school purposes, and rely wholly on the fund. But it is even worse with other forms of grants to States. In 1841, a time of reckless disposition of the lands, a grant of five hundred thousand acres was made to seventeen of the States, for internal improvements. The largest single gift made to the States at one time was included in the swamp-land grants of 1849 and subsequent years. All the "swamp and overflowed lands" within the limits of any State were granted to that State. It was expected that the sale of a part would pay the expense of reclaim-

ing the whole. It does not appear that any great improvements have been made by the States; and the United States is now spending large sums in building levees, to protect regions presented to the States in 1850.

Throughout the history of the country there has prevailed the double error that a gift of land cost the government nothing and was of very great value to the recipient. Upon the land that is of any worth, the United States has spent money for surveys and administration; and the States and other grantees have found it hard to turn the gifts into money. A great part of the educational grants have realized not more than a dollar an acre. It would in many respects be preferable for the government to appropriate the proceeds of the lands rather than to give the disposal of the soil to the States. A distribution act was passed in 1841, by which the net amount received for public lands was to be paid to the States; but it was repealed so speedily that only about seven hundred thousand dollars were thus distributed. A much larger sum has accumulated, and has been paid to the States under the "two, three, and five per cent. funds." By agreement with each State as it has entered the Union, the United States consents to pay over a proportion of the net proceeds of the lands within that State. More than seven million dollars have been allowed under this provision. The deduction is not strictly a gift, since the States in return bind themselves not to tax public land till it has been five years in the hands of a private owner.

In theory, the lands appropriated for internal improvements of various kinds have also been sacrificed, in order to make the remainder more valuable. The Ohio five per cent. fund in 1802 was intended to be applied to the construction of the Cumberland road, which was to be the great avenue for purchasers and settlers from the Atlantic coast. This was the beginning of the system of internal improvement at the expense of the nation; but, in prac-

tice, Congress built the road out of general funds. It was not till 1827, four years after the first river and harbor bill, that direct grants of lands were made in aid of internal improvements. The new and momentous policy began with grants for canals. Between 1827 and 1850, about three million acres had been appropriated to this purpose, principally to secure the completion of the system connecting the lakes with the Ohio and Mississippi. The jealousy caused by the action of Congress brought about the comprehensive grant of five hundred thousand acres to each "public land State," to which we have already referred. But the most familiar forms of grants for internal improvements date from 1850. By that year, the railroad system had been extended so far west as to penetrate large tracts of unsold lands. Congress aided the extension of the system by assigning to the States of Illinois, Alabama, and Mississippi nearly four million acres, to be used toward the construction of the Illinois Central and Mobile and Ohio lines, reaching from Chicago to the Gulf. Between 1850 and 1872, about eighty similar land-grants were made. The principal lines of communication in Minnesota and Iowa, and important roads in Wisconsin, Illinois, Missouri, Arkansas, Louisiana, Alabama, Mississippi, and Florida, were subsidized. In 1862, a new problem presented itself. It became a political necessity to lay a line of railroad across the continent. Between Iowa and California there were no States to which the grant could pass. Congress, therefore, promised a subsidy to corporations which undertook to build the road.

In the ten years following, some twenty-three similar grants were made, in almost all cases for roads running east and west, and intended to form links in transcontinental lines.* To satisfy the terms of the acts, about one hundred and fifty-five millions of acres would be

*In Donaldson's *Public Domain*, 949, will be found two excellent graphic maps of the land-grants.

necessary. Several companies never built their roads, and earned no grant: others completed the work after the prescribed time. In a few cases, Congress has formally declared the grant void, and has restored the land to the public domain. In 1883, nearly the whole area was at least withdrawn from settlement, pending a legal return to the full control of the government; but only forty-seven millions of acres had been formally patented to the States and companies. A few grants for canals and for wagon roads, between the years 1863 and 1872, make up the three remaining millions of the grand total promised by the government,—a total of a hundred and sixty-one millions of acres.

To express the disposition of the public lands in familiar terms, the United States has parted with a tract equal to its whole area east of the Mississippi River, added to the States of Missouri, Iowa, and Minnesota (west of the river). The acreage sold is a little more than the combined areas of the New England and Middle States, with Ohio, Indiana, and Michigan. The coast States from Delaware to Florida (including Maryland) represent the area of gifts to individuals. The remainder of the South, east of the Mississippi, closely approximates to the area of grants to States. The remainder of the Northwest, with Missouri, Iowa, and Minnesota, may stand for the internal improvement grants.

Yet so vast is the area of the country that the government might repeat its sales and gratuities, acre for acre, without exhausting its reserves of land in the West alone. In spite of the fact that the States had in the beginning, or have retained, five hundred million acres, and that the United States has parted with six hundred and eighty million acres, the public domain still comprises upwards of a thousand million acres. The real significance of the present alarm about the disappearance of the public lands, lies in the fact that the greater part of the unsold lands

are either reserved for the Indians or are unfit for ordinary tillage. Upon the best vacant lands,—amounting to about a hundred and fifty millions of acres,—the Indians are now seated. The area can be reduced by judicious and costly treaties; but it amounts only to about five hundred acres per head, and, if the occupants should take up land in severalty, they could not be dispossessed without such injustice as would rouse the nation. Experts in the Land Office assure us that, making all deductions and allowances, the remaining lands are worth upwards of a thousand millions of dollars. There is no evidence in the past policy of the government for believing that we shall actually net one-tenth of that amount. The greater part of the region is officially classified as “Desert Lands,” and is for sale in tracts of six hundred and forty acres, at a dollar and a quarter an acre. Nothing but the temporary increase of pre-emption enables the Land Office at present to pay its running expenses out of income. The golden time is past; our agricultural land is gone; our timber lands are fast going; our coal and mineral lands will be snapped up as fast as they prove valuable. There is no great national reserve left in the public lands, unless there should be a change of policy. Should disaster overtake us, we must depend, like other nations, on the wealth of the people, and not on that of the government.

It is, of course, true that the lands are still in existence, and have been made many times more valuable by the labor of the occupants. It is further true that large quantities of land are for sale by the railroads and other grantees. There is no immediate danger of a land famine. There is abundant cause for criticism of the system adopted by the United States, but it should rightfully be directed rather against the manner in which the laws have worked than against their purpose. Since 1841, the lands have nominally been reserved for actual settlers;

but practice has shown grave defects in the settlement laws,—defects which Congress has no will to remedy. No man can legally pre-empt land or take up a homestead, more than once. The privilege is very difficult to guard, and perjury and fraud are alarmingly frequent. No man can legally acquire more than eleven hundred and twenty acres of land, in the West, from the government; a hundred and sixty acres each as a pre-emption, as a homestead, and as a tree claim, and a section as a desert land claim. Actually, single individuals and companies own large estates, which a few years ago were in the hands of the government.

The accumulation of the large tracts is often brought about by fraud, but much oftener through the mistaken generosity of the government or through defective land-laws. It is not always necessary to hire men fraudulently to take up land for the company. In Texas, the State has sold its lands in its own way, often in large blocks. The school-lands and the scrip for bounty warrants have legally been used for locating wide extending estates. The railroad lands, although not in compact tracts, can be used as a nucleus for a large accumulation: and, in a country where land is cheap and money dear, the patient, long-headed capitalist can buy up valuable claims in a legitimate manner. The chief source of the present trouble in the West lies in the fact that the government never recognized that grazing land must be sold and occupied under different conditions from ordinary arable lands. The first comers have been allowed to take up the water-fronts. Any comprehensive system of irrigation of large areas for the benefit of future land-seekers has thus been forever prevented. The possessor of the rivers and water-holes has gained control of the country behind his claim. In such a contest, the largest and richest concerns have a great advantage. There was a time when the government might have laid out, for sale or lease, large tracts of

grazing lands, each with a sufficient water-front. It is now too late.

The fundamental criticism upon our public land policy is, not that we have sold our lands cheap, not that we have freely given them away, but that the gifts have in too many cases inured to the benefit of those whom the government meant to ignore. The "land-grabber" is, in most cases, simply taking advantage of the chances which a defective system has cast in the way of shrewd and fore-handed or unscrupulous men. The difficulty is certainly not in the Land Office, which, in the midst of perplexing complications, has striven hard to protect our lands. The fault lies at the door of the Congress of the United States, which has the power, but not the will, to correct notorious defects in our system. Still further back, the fault is with the free citizens of the Republic, who have been too busy to insist that there should be a comprehensive land policy, providing for the equitable disposition of all classes of the public lands.

ALBERT BUSHNELL HART.

THE SOUTH-WESTERN STRIKE OF 1886.*

THE year 1886 is likely to be noted as a great strike year; and, of the many strikes which took place in its course, that on the Missouri Pacific Railroad system had the widest effects and the greatest significance. It was an extreme case,—extreme in its magnitude, extreme in the methods and the temper of the strikers. For that reason, it brings out clearly certain characteristics which, though they are not so prominent in other cases, are yet common to almost all the strikes of the year. The endeavor of the present paper is to put on record an account of this typical movement which shall be full and impartial, and shall stand for future reference as an authentic source of information.

The strike began on the Missouri Pacific system † on the 6th of March, 1886. At ten o'clock of the morning

*The sources of information for this paper have been largely the newspapers, and especially the *St. Louis Globe-Democrat*, whose reports of the strike were very full. The testimony taken before the Congressional Committee is of great interest and value. It has not yet been published; but I have had access to stenographic reports of the evidence, of which the most important parts were also printed in the newspapers at the time. The Missouri Pacific Company printed several pamphlets, containing the letters and statements put forth at one time or another by the strikers and by the road. These pamphlets contain also reports (by stenographers) of the interviews between the General Board of the Knights of Labor and the Missouri Pacific officers. Conversation and correspondence with those who were engaged in the strike have yielded me much information. The Knights of Labor version of the causes of the strike is to be found in the report presented by Mr. Charles H. Litchman, their present General Secretary, to the order at its convention at Richmond, in October, 1886. The report consists mainly of a reprint of the testimony given before the Congressional Committee by Mr. E. B. Hollis, a Knight of Parsons, Kansas; and to that testimony I shall have frequent occasion to refer.

†The important parts of the Missouri Pacific system are:—

1. The Missouri Pacific proper,—main line from St. Louis to Omaha.
2. The St. Louis, Iron Mountain, and Southern,—main line from St. Louis, through Arkansas, to Texarkana.

of that day, the freight operations of the roads were suddenly brought to a stand-still. At almost all the more important towns,—at St. Louis, Kansas City, Sedalia, De Soto, in Missouri; at Atchison and Parsons, in Kansas; at Little Rock, in Arkansas; at Dallas, Denison, Palestine, in Texas,—a whistle was blown; and the shop-mechanics, yardmen, and switchmen simultaneously quit work, and filed out of the shops and yards. The organization of the strikers was perfect. At every important point, the roads were bared in an instant of men indispensable for the movement of trains.

No warning had been given to the managers of the roads, nor at that particular time were any complaints or demands under discussion. The blow was struck suddenly, and, on the surface, without cause or provocation. Yet it was not unexpected by the roads. Even the general public had been for some days uneasily awaiting a disturbance; and, in the minds of the aggressive workmen, the strike was the culmination of a struggle begun many months before.

We must go back a year or two, in order to find the origin of the dispute. The general depression of 1884 and 1885 had affected the South-western roads, as it had all others. In September, 1884, there had been a general reduction of wages. In March, 1885, a year before the great strike, another reduction was announced. At this reduction, a strike broke out among the shop-mechanics, primarily for the retention of the old wages. As in 1886, it extended over the whole Missouri Pacific system. In Texas, Arkansas, Kansas, Missouri, the strikers quit work, not quite simultaneously as in the next year, but

3. The Missouri, Kansas, and Texas (leased),—main line from Hannibal, through Missouri, the Indian Territory, and Texas, to Taylor.
4. The International and Great Northern (leased),—permeating Southern and Eastern Texas.
5. The Central Branch of the Union Pacific (leased),—from St. Joseph, Missouri, westward into Kansas.

within a few days of each other. They not only quit work: they also prevented the roads by force from continuing traffic. Passenger trains were not interfered with, but freight traffic was summarily stopped. Engines were disabled, locked up, or taken in charge; and the handling of freight was prevented by threats or by force. The public was disposed to sympathize with the strikers, notwithstanding their masterful methods. There was the natural feeling of repugnance to a lowering of wages; and there was prejudice against a railroad system which was believed to be under the control of Mr. Jay Gould. The governors of the States of Missouri and Kansas, feeling that they were backed by public opinion, took it on themselves to suggest an adjustment of the trouble. Of their own motion, they approached the railroad managers, and formally "recommended and requested" that wages should be restored to the rates which had been paid in September, 1884, and that all workmen who had struck should be taken back without prejudice for the part taken in the strike. These recommendations were signed by them as governors, and were signed, also, by the railroad commissioners of both States, and by the labor commissioner of Missouri. The railroads could not do otherwise than submit. Their traffic was annihilated; public opinion and the State government were against them. They accepted the terms proposed.

The victory of the strikers in 1885 was, beyond doubt, a main cause of their summary action in the following year. Their victory had been complete. They had taken possession of the road, controlled it for a week, violated the law, and had got what they wanted. Not a man was the worse off for having struck. Not a man was even blamed for having prevented by force the movement of trains. They could not but regard the result as proof at once of the soundness of their methods, and of the almost irresistible power of their organization.

The Knights of Labor did not appear publicly during the strike of 1885; but it is probable that most of the shop-mechanics, who were the active movers in the strike, were Knights, and that the tactics of the strikers came from that organization. In the course of the year, it had an extraordinary growth, and began to be seen on the surface of affairs. In April and May of 1885, we hear for the first time of lodges of the Knights in Sedalia. In September, District Assembly No. 101 was formed, comprising all Knights of the Missouri Pacific system. At first, it was composed of but five Local Assemblies; but, before the strike of 1886, the Local Assemblies were thirty, and the members were numbered by thousands. The growth took place largely by the absorbing of the existing lodges and unions of the railroad workmen.* The appearance of the Knights consolidated the organization of the workmen, and rendered them more confident of their strength. For the moment, however, it made no essential change in the situation.

The year from March, 1885, to March, 1886, was an uneasy one for the railroads and for their employees. There was continual rubbing. The Knights of Labor took a commanding tone, and began to assume authority in the details of the management of the roads. The time was one of depression and of scant business, and a reduction of the working force was called for. The most economical way of reducing the force would have been to discharge some of the men, keeping the remainder at work on full time. But the men demanded that the reduction

* The switchmen, while they joined the Knights, maintained also a separate organization of their own, and in February, 1886, formed a national association ("The Switchmen's Mutual Aid Association"). But, so far as the South-western strike is concerned, the switchmen may be treated henceforth as merely members of the Knights of Labor. Their general association seems not to have influenced the strike. Some testimony before the Congressional Committee indicated that, at the time of the strike of 1885, most shop-mechanics were members of "mixed" assemblies of the Knights. District Assembly 101 is a trade assembly, composed exclusively of railroad workmen.

should be made by lessening the hours of work for all, without reducing the number employed. The road submitted, and shortened hours without reducing numbers. A more serious interference occurred when the men took it on themselves to say where and how repairs should be made. Some cars and engines at Palestine, Texas, needed repair. The managers wished to take them to another place for repair; but the men insisted that the work should be done at that place, and struck against the grievance of its being done elsewhere. The road again submitted. At various points, as at the large shops at De Soto, mechanics and foremen were discharged by the road, not because they failed to do their work satisfactorily, but because it was necessary to discharge them in order to stave off a strike by the Knights. Discipline became lax and work expensive, especially in the shops. The Knights frequently demanded that no member of their order should be discharged without previous written accusation and opportunity for defence. But, though they often managed to bring about the employment or discharge of particular men, they could not secure a formal admission of this general principle. It played no small part in their grievances after the strike broke out.*

* The superintendent of the system testified before the Congressional Committee that "since the strike of 1885 there has been a reduction of discipline in our shops, and work has not been so well done." A foreman from De Soto said that, "for eight months before [the strike of 1886], the men were not doing justice to the company." The master-mechanic at St. Louis testified similarly that "after the strike of 1885 I saw a growing insubordination," and that "the men, during the latter part of 1885 and the early part of 1886, were not doing what was fair in many instances." The testimony of Sibley, the general superintendent of the Missouri Pacific proper, contains many details as to the efforts which the Knights made, often with success, to secure the discharge of men obnoxious to them and the employment of members of their order.

The following communications relate to the Parsons foundry dispute, which Hollis, as quoted in Litchman's report, referred to as one of the grievances of the strikers. The superintendent of the Missouri Pacific, Sibley, received on Oct. 4, 1885, the following laconic telegram from Parsons, Kansas:—

"E. K. Sibley: You are wanted here immediately to avoid trouble at shops. (Signed) J. B. Brennan, A. Boyd, Committee."

In August of 1885, a strike broke out on the Wabash road. The Wabash, which, like the Missouri Pacific, is called a "Gould road," had a management entirely distinct from that of the Missouri Pacific. Indeed, it was in the hands of receivers, and was managed, in contemplation of law, by the United States court. The Knights of Labor, in their struggle with the Wabash, declared a boycott on its cars. The Missouri Pacific interchanged traffic with the Wabash on a large scale, and the boycott seriously involved its business. Nevertheless, it submitted, and during the three or four weeks of the Wabash strike refrained from handling Wabash cars.* During

Sibley's answer, which I quote in full, was:—

"On account of previous important engagement, it is hardly possible for me to come to Parsons immediately. I should be greatly obliged if you will put any grievance you may have in writing, and present it to your master-mechanic. I will take the matter up and come to Parsons, provided it cannot be arranged without my doing so. I assure you that it is our intention to deal justly and fairly with all men, in view of which I trust you will present the matter as suggested in this telegram."

The following message came in reply the same day:—

"Your telegram of October 9 is received, and will say that we have submitted our grievance to Mr. Smith, the master-mechanic, and got no satisfaction from him. Our grievance is this: the foundry, at this point, has been running but three or four days per week for the last six or seven months, on account of lack of orders. Now, the orders have come in so fast and are so far ahead of the foundry department that, without any more coming in, the foundry cannot fill orders on hand before the 1st of January, 1886, by working six days per week and ten hours per day. We also respectfully inform you that the amount of help has been reduced in the foundry by men quitting, and so forth ["They do not claim there were any discharged," remarks Sibley], and that none have been hired in their places, thereby causing one man to do two men's work; and we will state right here that we find it impossible to do anything with Mr. Smith, and will say in conclusion that, if you want things to run smoothly at this point, you will grant these demands in person or telegram immediately. The demands, to be brief, are, as we demand, as follows: that the foundry be ordered to work hereafter six days a week of ten hours a day, and that the help in the foundry be restored to its original number.—J. B. Brennan, A. Boyd, W. B. Laughlin, *Committee*."

This correspondence is given in Sibley's testimony before the Congressional Committee. Sibley says that he went to Parsons and informed the men that, if they worked on full time till January, there would be nothing for them to do thereafter. He offered to give them work five days in the week, nine hours each day. After refraining from work for a week, the men accepted these terms. It will be remembered that they had insisted, in the spring of 1885, that, if work became slack, there should be no reduction in the force, but a reduction in working hours.

See also the passage quoted in the foot-note to p. 209.

* During the Wabash strike, the Knights required the Missouri Pacific to refrain from housing Wabash engines at its round-house in St. Louis. The

the much-talked-of struggle between the Knights of Labor and the Mallory Steamship Line at Galveston, a strike on a part of the Missouri Pacific system was declared by the Knights, to enforce the boycott against the Mallory Line; and the road again submitted. But the commands of the Knights were becoming unbearable for the managers of the roads. As early as the autumn of 1885, they became convinced that sooner or later they must fight the Knights. These, on the other hand, became more aggressive and self-confident. A decisive struggle was impending.

A break in the situation occurred in December, 1885, when the Texas and Pacific road was put in the hands of receivers. This road runs from New Orleans through Louisiana and Texas to El Paso. It had been operated by the Missouri Pacific as part of the Missouri Pacific system. The result of the foreclosure against it, and of the appointment of the receivers, was not only that its management became independent, but also that old contracts and agreements were no longer legally binding on it. The Missouri Pacific agreement of 1885, if it had been at any time a valid contract, at all events did not now fetter the Texas and Pacific. Shortly after the appointment of the receivers, a committee of the Knights of Labor appeared before one of them,—Mr. Brown,—and asked him to ratify that agreement. No decided answer was given, and in February, 1886, they again appeared, and presented to Mr. Brown a new agreement.* Mr.

Missouri Pacific had contracted to perform this service for the Wabash, that road having no house of its own; but it submitted, and turned the Wabash engines away. A part of the round-house force then became superfluous, and the Missouri Pacific wished to discharge half a dozen men. The Knights objected. At first, they demanded that the hours of work should be reduced, the force remaining the same. When it was pointed out that this was impracticable, they selected six men whom they considered incompetent, and whom they wished to have discharged. The master-mechanic said these six were his best men. This is the story of one of the Knights' committee-men, a carpenter named Palmer, who testified before the Congressional Committee.

* This proposed agreement stipulated that no reduction should be made in the wages of any employee, unless it were "decided" by an arbitration com-

Brown answered that he was an officer of the court, and managed the road under the orders of the court. He promised to do full justice to employees, but reminded them that old contracts were no longer binding on the road, and that rigid economy was necessary in its management.

No further steps were taken by either party. But the Knights understood that the Texas and Pacific had made a declaration of independence. Indeed, they believed that the road had been put into receivers' hands for the express purpose of freeing it from the agreement of 1885, and giving it the support of the federal courts.* They regarded the Texas and Pacific as still a part of the South-western system, and they prepared to fight the whole system. The executive committee of District Assembly No. 101 sent out a circular to the Local Assemblies, asking if they would support the executive committee in insisting on the recognition of the Knights. "We were prepared to decide on a strike at any minute."†

Both parties were looking forward to a struggle; the leaders of the Knights seem to have been even eager for it; and an occasion soon arose. On the 19th of February, two weeks after the correspondence between Receiver Brown and the Knights, a man named Hall, a foreman in the Texas and Pacific shops at Marshall, Texas, was dis-

mittee of six, of whom half were to be appointed by the railroad company (the receivership was ignored), and half by the Knights; that all rolling-stock of the company, and all foreign rolling-stock injured on its road, should be repaired in the company's shops; that all promotions, "such as foremen," should be from the ranks; and that all disputes should be referred to another mixed committee of six, whose decision was to be final. See the correspondence as printed in full in the *St. Louis Globe-Democrat* of March 9, 1886.

* See the statement of the Knights of Labor, signed by Martin Irons, in the *St. Louis Republican* of March 11, 1886. The same belief was declared by several Knights in their testimony before the Congressional Committee.

† See Irons's testimony before the Congressional Committee. The circular also asked for support in insisting on \$1.50 a day as minimum pay for unskilled labor. I have not seen any formal demand on the railroad officers for that rate of pay, though in Hollis's testimony it is said that such a request

charged. Hall was a prominent Knight. He had been one of the committee which presented the demands of the Knights to Brown. There had been a convention of District Assembly No. 101 at Marshall, and he had attended its meetings. The railroad officers said that he had exceeded the leave of absence granted him for attending the convention. Hall and the Knights strenuously denied it. The railroad officers said that Hall was a lax and inefficient foreman. This also was denied. A workman who had the backing of the Knights of Labor, in the temper prevailing in that organization, was not likely to be over-careful in looking after the interests of his employer or in obeying his orders. On the other hand, the railroad officers were restive under the bonds which the Knights were tightening on them. They were released in law from the old agreement, and they were not unwilling to have a pretext for getting rid of objectionable men.* It is not very material what is the truth in this particular matter. If the struggle had not come at that point, it would have come at another. The real struggle—an inevitable one—was not on the merits of any single case; it was not even on the merits of the various subjects of dispute during the preceding year: it was a struggle for power. The control which the Knights of Labor were trying to exercise over the general management of the roads was at issue.

Hall was discharged on February 19. On the 24th, a member of the executive board of the Knights of Labor telegraphed to the general agent of the receivers to come

was presented to Mr. Hoxie in September, 1885. It certainly was not pressed. The circular was of date February 1, before the Hall affair, and before any direct dispute. Hollis, as quoted in Litchman's report, being asked, "Had you predetermined that [to strike] before the discharge of Hall?" answered: "Yes. There was no time arranged, but it was decided it should be done before the 1st of May."

*It may not be without significance that Hall had succeeded a foreman who had been removed, at the request of the Knights, for alleged incompetency. The railroad officers said that Hall was less efficient than his predecessor.

to Marshall, "to settle trouble at the shops." The agent answered, also by telegraph, that he knew of no trouble, and was too busy to come. On the 28th, he received a peremptory telegram, signed by Martin Irons,—the first appearance of that person in the strike.* To this message no attention was paid. The following morning Irons sent another message, again asking an immediate answer. Still no attention was paid to him. The receivers and their officers certainly had reason to believe that serious events were impending; but they said that they knew of no troubles with their employees, and made no serious effort to avert the struggle. The Knights were even more indifferent to efforts for peace. Irons did not trouble himself to go to Dallas to confer with the receivers' agent; † nor did Hall go, though both were given an opportunity. Irons thought the agent had better come to see *him* at Marshall. The strike was ordered on the twenty-four hours' notice given by Irons's telegram. At three o'clock in the afternoon of March 1, on a signal from the whistle, the shop-men at Marshall, Big Springs, and Fort Worth, important points on the Texas and Pacific, dropped their

* Irons's telegram was as follows:—

"Gov. Sheldon [one of the receivers] referred me to Dallas [where the agent was]. I cannot come to Dallas, cannot control matters here long. If not settled by 2 o'clock March 1, 1886 [*the next day*], must call out Texas and Pacific employees. Answer immediately by telegraph what action you will take."

See the telegrams in the *Globe-Democrat* of March 9. They are also printed in Receiver Brown's testimony before the Congressional Committee. Irons, it should be said, was not employed by the Texas and Pacific, but by the Missouri Pacific.

† Irons testified before the Congressional Committee that passes were given to Hall for that person and two with him, to enable them to go to Dallas. But the executive board numbered five; and none of them went, "simply because there were not passes for the whole board, and by going to Dallas it cut me off from the use of the company's books,—a thing that we had been promised." "I thought that it cost nothing for railroad officials to travel, and that Marshall was the proper place to investigate; and I concluded that they had better come there, and so telegraphed Governor Brown and Colonel Noble." Irons said that, even if the passes had been handed directly to him, and not to Hall ("ignoring us as a committee"), he would not have gone to Dallas.

tools and quit work. The first move in the battle had been made.

The receivers of the Texas and Pacific at once took the position which the roads maintained unflinchingly throughout the struggle. A citizens' committee at Marshall tried to bring about a truce. The receivers said they were willing to meet men actually in their service, but not men who had abandoned the service; that they would not confer with a committee of the Knights of Labor; and that they reserved the right to discharge for cause whomever they pleased. The men had declared themselves willing to return to work for the present, if a conference with a committee of the Knights were granted; but they could not accept the terms offered by the receivers. The strike went on; and, after the unsuccessful negotiations with Brown, it spread. A boycott was ordered on cars of the Texas and Pacific road; and this boycott was not resisted by the Missouri Pacific,—a circumstance worth remembering. The road submitted for several days so far as not to touch the Texas and Pacific cars which were on its line. But the spread of the strike could not be checked. On March 6, the Knights delivered their second and severest blow,—the simultaneous strike on all the lines of the Missouri Pacific. It was a surprise to the officers of that system; for, though they knew the struggle must come sooner or later, they did not expect it at that time.* On the 8th, a third blow, and a serious one, was given. The workmen of the St. Louis Bridge Company struck. The bridge forms an independent railroad, running from East St. Louis, on the Illinois side of the river, over the bridge and through a tunnel into St. Louis. Almost all the terminal facilities in St. Louis are in its hands. It gives the only rail com-

* There is something very curious in the reluctance of the leaders of the strikers to give the exact language of the message ordering the strike on the Missouri Pacific. Irons was asked by the Congressional Committee what it

munication between St. Louis and the East; and the twelve roads which converge in East St. Louis all have to use it in forwarding their traffic to St. Louis. It is leased by the Missouri Pacific and the Wabash jointly, but is operated as an independent road. When the strike extended to the bridge, the city of St. Louis was deprived of by far the greater part of its railroad communications.

After the strike was in full swing, after the system (which will presently be described) of stopping by force all traffic had been put into complete operation, then first did the strikers bring forward their grievances against the Missouri Pacific road. The St. Louis *Republican* printed on March 11 a statement of grievances, dated March 10, and signed by Martin Irons, the chairman of the executive board of District Assembly 101 of the Knights of Labor. It was said to have been mailed to Mr. Hoxie, the manager of the Missouri Pacific, but was never received by him;* and it was sent to no paper except the *Republican*, which had shown some disposition to sympathize with the strikers. It was, in fact, a manifesto to the public, and was issued in answer to an open letter addressed to the Missouri Pacific employees, which Mr. Hoxie had put forth a day or two before. Hoxie had laid stress on the fact that the alleged cause of the strike was the discharge of a man on the Texas and Pacific, a road with which the Missouri Pacific had nothing to do. This consideration was urged against the strikers time

was. He said he had written it himself, but had "forgotten" its meaning. Being asked, "You can't give any idea as to its length or how it began?" he answered, "No." But later, being asked if it read, "Strike on Saturday, March 6, 10 A.M.," he said: "Well, I presume that is about the sum and substance of it. There may have been something before that." It was in cipher.

Irons had telegraphed to Mr. Kerrigan, the general superintendent of the Missouri Pacific system, that he should come to Marshall to "settle trouble"; but, as Marshall was outside of that gentleman's jurisdiction, he very naturally answered that he would not go there unless by the request of the Texas and Pacific officers.

* Irons admitted in his testimony before the Congressional Committee that this document had never been mailed to Hoxie.

and again during the next three months, and they found it difficult to meet. They could not be convinced that, after the receivership, the Texas and Pacific ceased to be an integral part of the Gould system;* but they were met by the stubborn fact that the road was, in contemplation of law, in the hands of the United States court, and they felt called on to show that they had a quarrel with the Missouri Pacific itself. Accordingly, they set forth their grievances or demands. They asked, first of all, a formal recognition of the Knights of Labor by a conference between the officers of the road and District Assembly 101; increase of wages for various workmen; the establishment of an apprenticeship system, by which but one apprentice was to be allowed for eight mechanics; an elaborate and formal system of accusation and trial before a Knight of Labor could be discharged;† and, lastly, that all men "unjustly discharged" be reinstated at the end of the strike. They alleged that the company had repeatedly violated the agreement of 1885.

But these matters are not put forward as the main causes of the strike. Its true object appears in this vigorous passage, at the beginning of the manifesto: "It

* This feeling was not unnatural on the part of men as little conversant with law as were the strikers. Mr. Brown, one of the receivers, had been general solicitor of the Missouri Pacific and a vice-president of the Texas and Pacific; though the other receiver, Mr. Sheldon, had had no connection with either road. The receivership brought very little change in the details of management, most officers being retained. The Knights had a similar feeling in regard to the Wabash road,—that it was practically managed from the Gould offices in New York. Several of them intimated, in their testimony before the Congressional Committee, that they believed the federal courts to be conniving with Mr. Gould and other enemies of theirs.

† "When any employees who are Knights of Labor do not give satisfaction in the capacity in which they are engaged, it shall be made known to them in writing, that they may defend themselves in the following manner: the accused party to select two persons to aid in conducting the defence, and the officer of the company in immediate charge to be allowed to select two persons to assist in conducting the prosecution; and that the accused be tried before three disinterested parties," etc. "The accused must be allowed to remain at work until the charges are either disproved or substantiated."

is the belief of Knights of Labor on the system that the companies have inaugurated a systematic method for the purpose of breaking up the organization of the Knights of Labor, and that the placing of the Texas and Pacific in the hands of a receiver and under the jurisdiction of the United States court is the main feature of the scheme; and in order to meet and defeat these contemptible and blood-sucking corporations and their governmental allies, and in order to secure redress for grievances and the following demands, we have inaugurated this strike."* In truth, the leaders of the Knights paid little attention to the redress of grievances. Irons informed the Congressional Committee that the executive committee of District Assembly 101 had as many as a hundred grievances in its hands, which had accumulated from the Local Assemblies; but it had not presented any of them to the officers of the roads. The only reason given for this inaction was "the pressure of other duties." When Irons was on his way to

*The same spirit is shown still more plainly in the manifesto issued, a few days later, by District Assembly No. 93, which, as will presently be seen, came to the support of Assembly No. 101 by extending the strike to Illinois. In this document, it is said: "We are dealing with a class of men who combine their capital, not merely for the purpose of transacting legitimate business, but of doing so on a scale so large as to control and imperiously command every interest directly or indirectly growing out of that business, or to crush what they cannot control or command. . . . But, in the transaction of that business, it becomes indispensable that they should utilize a certain power, without which their business is as an engine without steam. That power is vested in another class of men, who, profiting by the lesson taught them by the owners of capital, like them have chosen to combine, . . . for the purpose not only of transacting their legitimate business, but of doing so on a scale so large as to control and imperiously command every interest directly or indirectly growing out of that business, or crushing what they cannot control or command."—*Globe-Democrat*, March 12.

In Hollis's testimony, as adopted in Litchman's report, the grievances of the Knights are stated somewhat differently. It is alleged: (1) that in 1885 only the wages of men who had struck were restored, not those of men unconcerned in the strike of that year (this was frequently complained of, by the Knights, who testified before the Congressional Committee, as a violation of the agreement of 1885, yet that agreement had specified "striking employees"); (2) that mechanics were not so highly paid as their skill warranted ("I consider, as a mechanic, that I have judgment as well as the officials,"

Marshall to attend the convention there, he stopped in St. Louis, and had a conversation with Mr. Kerrigan, the general superintendent of the Missouri Pacific system, who gave him a pass to Marshall. At this time, the circular asking the Local Assemblies if they would support a strike had already been sent out; yet the concurrent testimony of Kerrigan and of Irons shows that the latter said not a word as to grievances or impending troubles, though he obtained his pass on the ground that he was on his way to a convention of Knights.

The strike was now in full blast. At first, the operations of the roads, so far as the carriage of freight was concerned, came almost completely to a stand-still. But this was not due entirely, or even mainly, to the impossibility of getting men to do the work. The strikers by no means

said Mr. Hollis); (3) that Mr. Hoxie refused to establish a rule that charges in writing should be brought against a man, and an opportunity be given him to defend himself, before he could be discharged; (4) that the road refused to pay all common laborers \$1.50 a day; (5) in general, that men were discharged because of their connection with labor organizations. Only a single specific case of this last-mentioned grievance is referred to.

Hall, whose discharge was the occasion of the strike, testified as follows before the Congressional Committee:—

"Q.—Was it your understanding that one of the objects of the strike was to make your opponents feel the power of the order, so as to respect its demands more quickly next time? A.—The recognition that labor had, or should have, with the officers of the roads gained gradually in the government of the road; that is, in the wages that should be paid the men for certain classes of work."

"Q.—One of the objects was to make the railroad officials understand that they should recognize the officials of the Knights of Labor as such in adjusting grievances and differences? A.—Yes, sir."

Hall also admitted frankly that the strike had been "a serious blunder and mistake."

Perhaps the fairest statement of what the Knights meant when they demanded a "recognition" of the order was also given by Hall: "I think it is that the officials, not only of this road, but of other roads, should recognize and treat with a committee appointed by the order to settle by arbitration the difficulties or grievances that might arise. As it is and has been, a man employed on this railroad, for instance, is appointed on a committee to adjust a grievance; and he is liable to be discharged for it. If the order was recognized so that they would be there, recognized in an official capacity, it would be a man not employed by the railroad, over whom they could have no control; and, consequently, he could do better, and could make a better demand, than one who is employed by the road, and afraid to speak out what he thinks."

included all the employees. Much the greater part of the workmen took no part in it. The locomotive engineers from the first refused to aid or abet the strikers, and a bitter quarrel arose in consequence between their Brotherhood and the Knights of Labor.* The conductors were equally out of sympathy with the strikers, and in many places passed public resolutions expressing their willingness to conduct trains. The firemen and brakemen, as a rule, remained loyal to the company, and were willing to work, unless prevented by force or threats. Many unskilled laborers seem to have taken no part in the strike. The Knights of Labor resorted to circulars addressed to "all laborers, such as trackmen, engine-wipers, coach-cleaners, baggage and freight hands," calling on them to lend aid to the Knights by refraining from work. The actual strikers were mainly shop-mechanics, switchmen, and yardmen. These were the men concentrated at the centres of traffic, at the larger shops and yards, at the places where machinery was overhauled and most of the freight was shipped and received, where all trains had to stop and their movement was most complicated and difficult. These were the most vulnerable points on the roads; yet, also, since they were fairly populous towns, the points where it would have been easiest to replace the men who left work. No doubt, the sudden departure of all the skilled shop-mechanics and of the practised yardmen and switchmen must in any event have crippled the roads for some time. Yet business might have been continued in some fashion, and before long men could undoubtedly have been found to fill the vacant places.†

* At a general convention of the Brotherhood of Locomotive Engineers, held on September 5, a vote was passed approving the course of their chief, Mr. Arthur, during the strike. Mr. Arthur had told the engineers to remain at their posts and to disregard the strike.

† The records of the Missouri Pacific system state that on March 6 there were employed on the whole system 13,393 men, not including general office employees. Of these, 3,717 struck; while 6,095 were suspended because the strike put an end to the work on which they were engaged.

But the fighting machinery of the strikers was by no means limited to the mere act of quitting work. They took complete possession of the roads, and systematically put a stop to all freight traffic. When the strike broke out, squads of Knights stationed themselves in the yards and buildings; and the railroad officers were formally notified that the premises were under their guard. Thus, at the large yards at St. Louis, under pretence of protecting the property of the roads, none but striking Knights were permitted to enter. When an attempt was made to move trains against their will, they went farther. Two days after the strike began, some Missouri Pacific officers at Denison, Texas, tried to move a freight train. "The watchman whom the Knights of Labor had stationed on the premises pulled the large shop whistle, and about two hundred strikers appeared in an incredibly short space of time. After failing to argue the officers out of their purpose, they opened the furnace of the engine and drenched the fire with water through a hose, took off the steam-pipes, knocked the pins out of the side-rods, and killed her dead. All other engines in the shop, except passenger engines, were also bled to death, and rendered as useless for power as so much old iron. The strikers then put guards about the buildings, and would allow no one not a railroad man to go about the premises."* That is typical of the course of events during the first fortnight of the strike. The disabling, or "killing," of engines was the simplest and most effective way of stopping traffic; and every freight engine the strikers could find was "killed."† If a train succeeded in getting ready, the strikers tried to persuade the engineer to abandon the engine, the persuasion rising often to a warning of danger. If the engineer remained

* *St. Louis Globe-Democrat*, March 9.

† The roads report that, of 598 engines in service, no less than 434, or nearly three-quarters of the whole number, were disabled at one time or another during the strike.

steadfast, they boarded the train, set the brakes, and pulled out the coupling-pins. If a train managed to get off, they mounted any engine that was at hand, started in pursuit, and put the train on a side-track.

The stoppage of traffic was confined, in the main, to freight operations. Passenger trains, as a rule, were not interfered with, though the general demoralization of the whole system necessarily made the passenger service uncertain and hazardous. The strikers' willingness to spare passenger traffic was not due to any regard for the convenience of the public. It seems to have been based on the idea of respecting the United States mails, which were carried on almost all the passenger trains. Suburban trains, which carried no mails, were stopped as peremptorily as freight trains; and, for ten days, few of the regular trains could be run between St. Louis and the suburban towns on the Missouri Pacific. The fear of encountering the federal government, which saved the mail trains, showed itself in other ways. When a car loaded with supplies for federal troops came along, it was taken in charge by the strikers, put behind an engine, and sent on to its destination. Of greater importance was the fact that the Wabash road, which was in receivers' hands and enjoyed the protection of the federal courts, was, practically, not interfered with at all. The Texas and Pacific, though also in the hands of the federal courts, was treated as summarily as any of the Missouri Pacific's own lines, perhaps because the Texas and Pacific had been so recently an integral part of the Missouri Pacific system.*

*The protection of the United States courts could probably have been invoked by the Missouri Pacific for its own lines. The so-called Ku-klux Acts, passed in 1870 and 1871, Revised Statutes, §§ 5508, 5519, very likely sufficed to give federal jurisdiction. But the road refrained from forcing matters in this way. It waited until public opinion called on the State authorities for action. Injunctions were immediately obtained in the State courts of Missouri, Kansas, Arkansas, and Texas, restraining the strikers from trespassing on the company's grounds and obstructing its trains; but not the least attention was paid to them.

Meanwhile, the policy of Mr. Hoxie, the manager of the Missouri Pacific, was one of masterly inactivity. It was a shrewd policy. The road was under the cloud of suspicion which, rightly or wrongly, overhung everything connected with the name of Gould. Public opinion at first was against it. In the innumerable statements and counter-statements which day after day filled the newspaper columns, it was hard to discern the true character of the strike; and the public was inclined to think that the Gould road was in the wrong. As long as this was the case, the road could not hope for vigorous aid from the State and city authorities; and, without such aid, the strikers could not be successfully met. Mr. Hoxie accordingly let the effects of the strike work themselves out. For form's sake, attempts were made to run trains; but the strikers easily and promptly stopped them. Injunctions were served, and some arrests of trespassing strikers took place; but this notification that they were law-breakers, while it may have had an effect on the minds of the strikers, did not cause them to swerve a particle from their chosen line of conduct. Freight traffic lay dead. The road discharged or suspended conductors, engineers, clerks, freight hands, station agents, telegraphers, for whom it had no work, and brought home the meaning of the struggle to them and to the public. In the early days of the strike, the police commissioners in St. Louis were asked to protect the road. They evaded the demand by saying they had no men to spare. Mr. Hoxie told them he could wait as long as they could;* and he waited.

The effect of this policy was quickly apparent. The merchants of the large cities, and especially those of St. Louis, found their business melting away. Factories felt a dearth of material, especially of fuel. In many directions, their goods could not be shipped. Several flour-mills and brick-works had to close: others had to buy

*I have this on Mr. Hoxie's own statement.

coal at high prices. The entire coal supply of St. Louis comes from Illinois, and the strike on the bridge stopped rail communication with the eastern side. The ferries for a while afforded a substitute; but, when the strike extended across the river to East St. Louis (of which more presently), coal was absolutely shut out. Indeed, Eastern roads were then entirely disabled from business. A degree of relief was found, however, in an unexpected quarter. The Wabash, one of the so-called Gould roads, was protected, as has already been noted, by the federal courts, and carried on its operations with little trouble throughout the strike. As it happened, the yards of the Wabash, alone of all the roads centring in St. Louis, were so placed that it could easily transfer cars from the eastern to the western side of the river; and, on both sides, it was effectively protected by the federal arm. This became known to shippers, and the road secured a large business. Moreover, certain coal mines, which were "Gould properties," were on the line of the Wabash in Illinois. When coal became scarce in St. Louis, these mines, shipping over the Wabash, found an active market at high prices. The strikers, in order to check this disappointing turn of affairs, tried to induce the coal-miners in Illinois to strike, but without success. The result was, curiously enough, that both the Wabash and the Gould mines found the strike highly profitable.

At the less important places on the line of the Missouri Pacific system, the effects of the strike were more serious. At various points, factories were closed. At Sedalia, the head-quarters of the strikers, where Irons lived, coal gave out at the end of a week. The strikers informed Mr. Hoxie that they would permit coal-trains to be run to the town, but they were promptly told that either all trains must run or none at all. The inconvenience and distress were greatest in the towns of the interior and among the farmers. Small stocks of goods were kept in

the villages on the line of the roads. They were dependent on the regular continuance of railway service. Groceries, flour, oil, fuel, became scarce. In many places, actual distress ensued, and trains of wagons were started to supply the most urgent needs.

Public opinion began to veer. It was, however, singularly slow in expressing itself. The newspapers at the outset reflected the general uncertainty; and three of the largest papers in the State* had begun by abusing Jay Gould, blaming the roads, and encouraging the strikers. Their tone changed as the strike went on, and even those that at first catered most subserviently to the "labor interest," tried to rein in the Knights. Two weeks after the strike broke out, meetings began to be held at towns on the line of the road, protesting against the blockade and the methods by which the strikers maintained it. In St. Louis, the first public protest was made as late as March 24; and it was very mild. People did not rally quickly to the support of the Gould road, but they were forced to it by the facts of the situation. The most significant sign of the change in public opinion was in the action of the governors of Missouri and Kansas. As in the previous year, they interposed of their own accord. They sought out the Knights at Kansas City on the 19th. After discussing the situation with them, they addressed the next day a letter to Mr. Hoxie. They admitted that the company had kept its agreement of 1885, but asked that it should take back its old employees without prejudice for their action in the strike. Mr. Hoxie answered that he was willing to take back the old men; but he would take back none who had committed violence, and would discharge none who had been engaged since the strike began. The Knights testily repudiated the interference of the governors, and ignored Mr. Hoxie's offer.†

*The *St. Louis Republican* and *Post-Dispatch*, and the *Kansas City Times*.

†See the letters in *Official Correspondence* (a pamphlet issued by the Missouri Pacific), pp. 25-33. Kochtitaky, the Commissioner of Labor Statistics

A few days later, on the 23d and 24th, proclamations were issued by the governors of Missouri, Kansas, Arkansas, and Texas, ordering the company to resume traffic, and forbidding all persons from interference with it.

Mr. Hoxie judged it was time to move. He had the public behind him at last. The city authorities in St. Louis now gave him all the policemen he wanted. On the 24th of March, eighteen days after the strike began, the first freight train was moved out of St. Louis. Half a hundred policemen were on it, and as many private guards. Another half-hundred policemen lined the tracks. There were some hitches. Coupling-pins were drawn, and the train broke in two; but it was brought together again, and got off with comparatively little trouble. Another train went from St. Louis the next day, under the same precautions. This time, a few miles out of the city, shots were exchanged between the train-guards and the strikers; but no one was hit. Still another train went out the third day; and, from that time on, the blockade was broken. At various points, trains were started during these days, always under heavy guard; and most of them succeeded in getting through. They encountered misplaced switches and crowds of threatening strikers. The engineers were warned that it was not safe to run. But, by the last days of March, freight trains were running on all parts of the system,—in Missouri, Kansas, Arkansas, and Texas. There were points (such as Parsons, Kansas) where the strikers remained in possession, and everywhere traffic was still slow and uncertain. But the blockade was broken. The people on the line of the roads expressed their satisfac-

of Missouri, stated to the Congressional Committee that Powderly, who was present at the conferences between the governors and the Knights, had agreed with the governors that the men should go to work on the terms here proposed by Hoxie. "But the executive committee [of Assembly 101], when they were informed of this result, said: 'No, we cannot accept it. We only want an interview with Mr. Hoxie.'"

tion in the spontaneous Western fashion. At Warrensburg, Missouri, the first freight train arrived on the 27th. "One thousand citizens, headed by the mayor and the Quarry City cornet band, met the train, and set up Havana cigars for the train men." At Appleton City, "flags were displayed; and a large crowd of citizens, headed by the brass band, repaired to the depot, where a couple of pieces were played, and three cheers given for the men who were willing to assist in resuming freight traffic. The train crew were presented with a box of fine cigars."

The turning-point had been reached: the strikers were virtually defeated. They did not admit it. Indeed, as yet they did not realize it. But they saw that they were losing ground, and must make another aggressive move. They had been threatening from the first to extend the strike, and make it general on the roads west of the Mississippi. So much they never succeeded in doing. But at St. Louis they were able to deliver one other blow: they extended the strike to East St. Louis. As early as March 13, District Assembly 93 of the Knights of Labor had sent a circular letter to the managers of the roads running into East St. Louis, asking an advance of switchmen's wages to what is known as the "Chicago scale." This demand, not unreasonable in itself, had been granted by some roads, and promised to be granted by the rest, as early as the 19th. Nevertheless, on the 25th, the day after the Missouri Pacific succeeded in running its first freight train out of St. Louis, the yardmen and switchmen in East St. Louis, at the usual whistle signal, simultaneously quit work. No grievances were alleged. The strike was avowedly meant to aid the Missouri Pacific strikers; Assembly 93 came to the aid of Assembly 101. The effect was to stop entirely all traffic between St. Louis and the East. The roads running into East St. Louis, though prevented by the strike from crossing the

bridge, had hitherto made shift to transfer some freight to St. Louis by ferry. But now the roads themselves were prevented from doing anything. The city of East St. Louis is a collection of railroad yards and sheds, interspersed with rickety wooden buildings. Its inhabitants are mainly the railroad workmen and purveyors of food, drink, and lodging to them. The city authorities were known to be in sympathy with the strikers. The place is on the Illinois side of the river; hence policemen from St. Louis and militia-men from Missouri were not to be feared. The strikers openly boasted that it would not be as easy to run trains here as in St. Louis.

Meanwhile, in the States west of the river, the strikers became more bitter and lawless in proportion as the roads were successful in resuming operations. The killing of engines and side-tracking of trains, which had been common in the earlier stage, were succeeded by more reckless violence. The tracks were soaped, switches were tampered with and trains thrown off. Signal lights were changed. Bridges and trestles were burned. The engineers received more and more frequent anonymous warnings that it was "not safe" to run trains.* Threatening letters, also

*The following, which was handed to the Congressional Committee by an engineer, is a specimen, and rather a moderate one:—

"March 22, 1886.

"ADDRESSED TO ENGINEERS AND FIREMEN:

"Boys,—We warn you not to run trains out of Atchison. It is with regret we tell you, as we call you brothers.

"If you do, your life will pay the forfeit. Boys, we want to throw off the yoke of serfdom, and be free men like yourselves. Don't deny us what at one time you prayed for."

One of the shop-foremen received this blood-thirsty epistle:—

COW-BOYS' RANCH, TEXAS, May 1, 1886.

H. S. Spangler,—You and your friends have paid no attention to the notice you received a few days ago, instructing you to leave this place. We have visited your house, and found you had moved to another and also quit coming to the round-house after night, which is very well for you; but we have selected a man out of our gang for the purpose of lynching you all, and he will get you sooner or later, if you don't leave. He is a man that has stained his hands several times, and will stain them again, if you men will not leave without. We have warned you our last time, so you can look out. We think our man will get the last one of you pretty soon.

Yours,

KNIGHTS OF LABOR COW-BOYS, MOB No. 1.

anonymous, were sent to Mr. Hoxie and other Missouri Pacific officers. "Scabs" were beaten whenever there was a chance. Boarding-houses that entertained them were boycotted. The company had to establish houses of its own to shelter its workmen. Something like a reign of terror had set in. Law and order leagues were formed against the strikers, and in all the four States the military were called out. Near Sedalia, as early as the 23d of March, a train was wrecked, and two men were injured. Three weeks later, another wreck was caused at the same place by the removal of a rail. At Kansas City, two or three days after the first train was run, a wreck was caused by a switch turned under the train. At Fort Worth, Texas, and at Parsons, Kansas, the strikers were especially turbulent. At Parsons, they ruled the town; and not until a strong force of militia arrived there, on April 3, was order restored. At Fort Worth, on that day, a train was fired on by ambushed strikers; and three deputy-sheriffs were shot, one of them fatally. On April 26, when the failure of the strike had become palpable, a train was wrecked by a displaced rail at Wyandotte, opposite Kansas City, and two men were killed.

At East St. Louis, the course of events was similar. At first there was comparative quiet. But, when the attempt was made to resume traffic, the strikers became violent. Teamsters and freight handlers were driven from their work. Engines were killed. The civil authorities were powerless: deputy-sheriffs were laughed at by the mob. The sheriff sent word to Governor Oglesby that he could do nothing, but the governor was slow to act. He sent his adjutant-general to East St. Louis, and went there himself, and harangued the strikers, telling them he was a friend of the laboring man, but that they must not be disorderly. The roads tried to move trains, under heavy guards of deputy-sheriffs. Finally, on April 9, some of the undisciplined guards, frightened by the

threatening crowd, fired into it, and killed half a dozen people. Then, at last, the militia were sent to the town, and order was restored; but furtive acts of violence continued, in occasional shootings, incendiary fires, the beating of unprotected "scabs." For a month, traffic could be carried on only under the guard of the soldiers.

There is no doubt that the acts of violence are to be laid at the door of the Knights of Labor of Assemblies 101 and 93. Their leaders, it is true, constantly protested that violence and disorder were contrary to the principles of the Knights, and could be the work only of individual reckless spirits. But this was a mere pretence, and a shallow one.* They had a notion that they were carrying on a war; that they had the rights of belligerents; and that all hostile measures were justifiable.†

* At East St. Louis, the leaders of the Knights said to the adjutant-general that they were peaceable, and would not interfere with trains; but, when a train was started, it was boarded, the coupling-pins were drawn, and the brakes set, under his eyes,—the Knights' committee-men, meanwhile, running alongside, shouting in vain to their followers that the adjutant-general was looking on, and that the train should be let go. The same thing happened at Parsons, Kansas. *Globe-Democrat*, March 31, May 5, and the testimony before the Congressional Committee.

† The adjutant-general of Kansas testified before the Congressional Committee that at Parsons "Buchanan [the local leader of the Knights] took the position, and another gentleman, by the name of Hollis, who was present at that time, that they were entitled to the rights of belligerents; that it was justifiable revolution. . . . Mr. Buchanan went so far as to bring his dictionary to show me the distinction between revolution and rebellion, and argued it at some length." Irons was asked by a member of the committee, "Do you regard a strike as very much like an act of war?" *Answer*: "A strike, when right, is represented to be a struggle for right. Yes, sir." And again: "And it is an act of war, and is often followed by violence, is it not?" *Answer*: "Often followed by violence on the part of, perhaps, the property owners themselves; and, I think, in most cases so."

The following bit of testimony is only in part relevant at this point, but I quote it in full, by way of illustrating the temper and methods of the Knights. It comes from a merchant tailor, a witness before the Congressional Committee:

"Q.—Were you a Knight of Labor until the strike? A.—Yes, sir. I was in good standing up to that time. I was at but one meeting after the strike. I was requested to go there one night; and I was there awhile, until they commenced to detail pickets. I asked them what that was for, and they said, To go and guard the roads. I don't know whether I am allowed to use the language I use sometimes.

Irons harangued the East St. Louis strikers, and advised them to give "pills to scabs."* A Knight of Labor from De Soto told the Congressional Committee that the Master Workman of his Local Assembly had ordered him to aid in stopping trains; when he refused, he was expelled from the order. This same Master Workman told the locomotive engineers that the Knights must win, "by fair means or foul."† When the train at Fort Worth was fired on from the ambush, the Master Workman of the Local Assembly was recognized as the leader of the shooters. The men who wrecked the train at Wyandotte were

"Q.—Yes, sir. A.—'Well,' says I, 'I'll be damned if I go and be a picket. I have done my picketing.' And I got up and walked out, and I never went there since. Previous to that,—previous to the strike,—I received a note, a letter, from the office, which I would like to read. 'De Soto, Mo., March 4. Brother Becker,—It would be a good thing for the welfare of your son not to make himself so busy. R. R. D.,' it is signed. I went over immediately to the office. My son is a clerk in the office, under Mr. Kennan, the division superintendent; and I handed him that letter, and told him to read it. [It appeared that the son had helped in handling a boycotted freight car.] Says I, 'My son, do you understand that?' He says, 'I do.' I says, 'My son, I want you to attend to your legitimate business. Whatever the company requires of you to do, do it faithfully; and any man that interferes with you and your business, shoot him, and, by God, I will stand by you.' That is the way I talked to him. . . . That evening Mr. Mike Connell, I believe his name is, came into my shop; and he addressed me. Says he, 'Commander,' says he, 'I would like to talk with you.' Says I, 'All right, sir.' Says he, 'I don't want you to get excited.' Says I, 'I hope I won't.' This was before the strike, on the evening of the 5th. Says he, 'I come in to tell you,—to speak to you about your son Elmer. It seems he is busying himself around a good deal; and,' says he, 'it will be to your advantage, and also to his'n, if you would have him attend to his business.' Says I, 'I thank you for your kindness for coming in and telling me this; but,' says I, 'I received a letter purporting to be just what you said.' And then I used some language in regard to the man who wrote it not signing his name to it. 'Well,' says he, 'it will be to your advantage, your business advantage, and also to Elmer's, to make him just attend to his legitimate business; and, if he don't,' says he, 'after this thing is over,' says he, 'perhaps he can't stay there.' I says, 'Why?' He says, 'We will have him turned off.' Says I, 'Just as long as he attends to the business right for Mr. Kennan and the railroad company, he will stay there.' He says, 'Stop: Mr. Kennan won't stay there. Perhaps we will turn him off.' I says, 'Not by a damned sight.' That is the language I used. That is my way of expressing myself. . . .

"Q.—You say you had finished your time of picketing. Where did you picket? A.—In the army,—in the Union Army, sir.

"Q.—Did you? A.—I did, sir; and I am proud of it."

* See the testimony of A. F. Walsh before the Congressional Committee.

† *St. Louis Globe-Democrat*, May 12. In this issue of the *Globe-Democrat*, Governor Curtin, of the Congressional Committee, is reported as saying: "It is obvious that their [the Knights'] officers at De Soto and elsewhere sanctioned and organized this sort of thing. It is a waste of time to keep asking if the Knights of Labor knew anything about stopping and derailling trains."

ferreted out by detectives in the course of the summer. Their confessions showed that the deed had been planned in the Knights of Labor meeting-room in Kansas City, and that the wrecking party had been led by the head of the Local Assembly.*

We turn now to another phase in the strike,—the action of the General Executive Board of the Knights of Labor.† The constitution of the order gave this Board no authority in the matter of strikes. Strictly, the District Assemblies were subject to no control. Yet the Board had often exercised an influence or authority over District and Local Assemblies; and during the Wabash strike of August, 1885, it had negotiated on behalf of the Knights of Assembly 101, and had made pledges that purported to bind them,—among others, that no strike should take place without notice to the officers of the Missouri Pacific.‡ When the strike of 1886 broke out, the vice-president of the Missouri Pacific telegraphed to Mr. Powderly, the head of the order, asking what it meant. The strike, however, was a surprise to that gentleman. He had little

* *Globe-Democrat*, July 19. [The trial for murder of this person, the chairman of the executive board of the Local Assembly at Kansas City, was going on when this article went to press.]

† The letters that passed between the Board and the Missouri Pacific officers, and the appeals of the Board to the public, are collected in the pamphlet entitled *Official Correspondence*.

‡ As to the powers of the General Board, the reader should consult Commissioner Wright's account of the Knights of Labor, in this volume. During the Wabash strike, the following order, dated St. Louis, Aug. 18, 1885, was issued by the General Board: "To all Assemblies: All Knights of Labor in the employ of the Union Pacific, or of any of its branches, Gould's South-western system, or any other railroad, must refuse to repair or handle in any manner Wabash rolling-stock until further orders from the General Executive Board; and, if this order is antagonized by the companies, your executive committee is hereby ordered to call out all Knights of Labor on the above systems, without any further action. By order of the General Executive Board. Frederick Turner, S. G. T." This boycotting order is printed in the *Globe-Democrat* of April 26, 1886. It is authentic. The railroad companies knew of it at the time; and on the Union Pacific, where there was then much friction with the Knights, the officers had determined to fight on that issue. The settlement of the Wabash strike prevented the matter from coming to a head.

idea of what it meant, and he made no answer. But he went to the West about the middle of March, and looked over the field; and there is no doubt that what he saw did not please him, and that he tried to check the strike.* An attempt was being made by the striking Knights to extend the strike to other roads; from the first, they had been threatening to bring on a general railroad strike. The only serious danger of a spread of the strike seems to have existed on the 18th and 19th of March. At that time, delegates of the Knights on the Union Pacific road (on which the Knights were numerous and firmly organized) went to Kansas City to see whether they should aid their brethren of the Missouri Pacific.† The result of the conference, at which Mr. Powderly was present, was not favorable for the strikers. The Knights of the Union Pacific refused to join them. The secrecy which is usual with the Knights was observed in regard to the meeting, but there is little doubt that the influence of Mr. Powderly was exercised in favor of peace. District Assembly 101 was left to fight its own battle, with such aid only as it could get from the General Board.

At the time of the Kansas City conference, Mr. Powderly wrote to Mr. Hoxie, asking an interview. Mr.

* Mr. Powderly at various times expressed condemnation of the strike. According to Kochtitsky, Commissioner of Labor Statistics of Missouri, Mr. Powderly said to Governor Martin of Kansas that the strike was without need or cause. See Kochtitsky's testimony before the Congressional Committee, *Globe-Democrat*, May 9. To Mr. Gould he said that the strikers had disobeyed the laws of the Knights, and that he had it in mind to revoke their charter. See the stenographic report of the conference of March 30 between the General Board and the Missouri Pacific officers, *Official Correspondence*, p. 23. The strike seems to have been the occasion of Mr. Powderly's "secret circular" to the Knights (dated March 13, and printed in all the newspapers within a fortnight), in which strikes in general are reprehended.

† In the stenographic report of the interview of March 30 between the Knights' Board and the Missouri Pacific officers, the following passage occurs, *Official Correspondence*, pp. 24, 25:—

"Mr. Hopkins. This is a letter from Omaha, speaking of the state of things on the Union Pacific: 'The executive committee of the Knights of Labor on the Union Pacific—their head-quarters being at Denver—went to

Hoxie sent a pungent though courteous answer, the gist of which was that he had been taught by his experience not to deal with the Knights; and he refused to meet any one as representative of the order. The negotiations then shifted to New York. On the 27th of March, the General Board of the Knights sent a formal letter to Mr. Gould as president of the Missouri Pacific Road. They proposed arbitration. Then ensued that curious correspondence which for several days kept the country in a state of wonder, and in which the leaders of the Knights showed but little diplomatic skill. Mr. Gould consented to meet them as "private individuals." The result of a long interview was that Mr. Gould sent a telegram to Mr. Hoxie, saying that "we see no objections to arbitrating any differences between the employees and the company, past or future." It is not easy to see that Mr. Gould here committed himself to anything; and, obviously, it is uncertain whether "past or future" refers to the employees, or to the difficulties. But the Board pronounced this satisfactory,—nay, proclaimed in the newspapers and telegraphed to Irons that "Gould has consented to our proposition for arbitration"; and Mr. Powderly ordered the South-western Knights to resume work. But Mr. Gould pointed out the next day that he had by no means consented to arbitrate in the sense in which Mr. Powderly had given the public to understand that he would. He

Kansas City the other day on the war-path. They were preparing for a strike everywhere. They got back to Denver on the 20th. My informant writes me that their whole temper had changed. In conversation among themselves, they bitterly denounced the Knights of Labor of Missouri and Kansas. . . . Powderly, they say, was right in going home; that he could not defend the action of the men; that their demands were outrageously unjust; that they were tyrannical and aggressive.

"Mr. Powderly. There is not a word of truth in that thing from beginning to end. . . . They did not go on the war-path. . . . They were of the idea that they were not to make further trouble. They went back with the same mind."

The letter from which Mr. Hopkins quoted came from a thoroughly credible source, known to the present writer, who is constrained to believe, notwithstanding Mr. Powderly's denial, that the Union Pacific Knights went to Omaha with a mind to aid the South-western strikers, but, after looking over the field, concluded, for whatever reasons, not to take any action.

had merely given Mr. Hoxie authority to do so, and had left the whole matter in that gentleman's hands. Thereupon, after another long interview (March 30), Mr. Hoxie was asked, on behalf of Mr. Powderly, whether he would meet the General Board of the Knights or a committee of employees from the Knights. He answered guardedly that he was willing to meet a committee of employees who were actually at work; and the General Board, apparently thinking this satisfactory, once more ordered the Knights to return to work.

But the Board had little control over the members of Assembly 101. Neither its first nor its second order to resume work was obeyed. The men waited for instructions from their local leader, Irons.* The only offers to return to work came from committees of the striking Knights, who stipulated that all strikers should be taken back, except such as might be proved guilty of violence. They ignored the men whom the company had in the meanwhile engaged. They considered themselves as still in its employ, or at least as having a right to employment; and, notwithstanding the explicit terms of Mr. Hoxie's promise, they complained that he had violated it, because he refused to consider them as "actually at work."

Between the firmness of the company and the unrelenting temper of the strikers, the General Board was at a loss. Its members would probably have been willing to accept almost any terms that involved a recognition of their order. But a recognition Mr. Hoxie was determined not to yield, and the other officers of the company took their cue from him. Mr. Hoxie's firmness on this

* An engineer at De Soto testified before the Congressional Committee that, after Powderly's first order to resume work, he began to repair a disabled engine. He was told to desist. He answered that Powderly had called the strike off. The men replied, "Never mind Powderly: Martin Irons hasn't called it off." *Globe-Democrat*, May 12. There was a Powderly faction and an Irons faction in District Assembly 101: the former was strong, but the latter had control of the machinery and the offices.

point was not due to an unwillingness to deal with labor organizations in general. Indeed, in the course of this very strike, he negotiated with several of them;* but he would have nothing more to do with the Knights. The General Board, finding it impossible to extract a recognition, in the end fell in with the attitude of District Assembly 101, and tried to force a victory. Perhaps the more reckless spirits got the upper hand. Perhaps the Board soberly concluded that the best policy was to fight for the principle that their order must be dealt with, right or wrong. At all events, their action became feverishly aggressive after the close of the unsuccessful negotiations. They issued a manifesto alleging that Mr. Hoxie had broken his agreement "for the purpose of stock-jobbing speculation." A letter signed by Mr. Powderly and addressed to Mr. Gould was published, vaguely threatening that gentleman with ruin, if he did not put an end to the strike. The letter was in marked contrast to the rather moderate utterances which had hitherto come from Mr. Powderly. The Knights all over the country were called on for contributions to aid the strikers; and considerable sums seem to have been raised, and distributed in rather loose fashion.

But the battle was hopelessly lost. By the middle of April, traffic had been completely resumed on all lines of the Missouri Pacific. The active strikers of Assembly 101 were no more than a band of hunted outlaws, able to make themselves felt only because of the defenceless condition of a long line of railroad. The General Board was glad when a pretext was given for retiring from the field. The House of Representatives at Washington had appointed a committee to investigate the strike. The com-

*For example, with the Firemen's Brotherhood. The Missouri Pacific discharged in the course of the strike twenty-three firemen for abetting the strikers. The chief of the Brotherhood conferred with Mr. Hoxie, and a committee was appointed to investigate the action of the discharged men. Most of them were taken back.

mittee, soon after arriving in St. Louis, addressed to the General Board a request to put an end to the strike. Accordingly, they issued an order declaring it at an end. Thereby was brought to a formal close the most remarkable strike the country has seen. Not a concession had been made by the road. The Knights had suffered an overwhelming defeat.

Few of the strikers—not more than one-fifth—were taken back on the Missouri Pacific. The road refused to have any Knights of Labor in its service, and all who came back had to leave the order. No man known to have committed acts of violence was re-employed. The result caused no great hardship for the unmarried, roving men: they scattered, and found work elsewhere. But many had homes and families, and went through great distress. At the instance of the road, criminal proceedings were instituted against those who had been guilty of unlawful acts. Few convictions, however, were secured. Nor, indeed, were they needed to bring home to the rank and file of the strikers the completeness of their failure. The collapse of the strike and the distress that followed it were a sufficient retribution.

As the preceding narrative will have shown, the strike was not undertaken for the redress of grievances. I am not prepared to say that the strikers had, in fact, no good grounds for complaint. But many of their alleged grievances undoubtedly rested on unreasonable demands. Again, their leaders stated that the acts of abuse or injustice of which they complained were committed by subordinate officers. Yet they admitted that they had failed to present grievances to the higher officers for some time before the strike, and that these officers had given fair attention to their earlier demands.* For the gen-

*It is fit to say that my brief intercourse with Mr. Hoxie, whom the Knights held in particular aversion, left the impression that he was not only

eral lesson of the strike, however, it is not material whether or not the railroad company had done well or ill by its employees. The strike was a struggle for power. The Knights of Labor who were concerned in the strike thought that they were irresistible. They had "downed Jay Gould" once, and they were going to do it again.* In order to win their victory, they were determined to choke the railroad company, and, if need were, the community also. Traffic was to be suspended until their demands should be granted; and, to prevent traffic, law and order were systematically defied. No community can endure such tyranny. In this case, the unpopularity that attaches to the name of Gould served at first to bring to the strikers a support in public opinion; but their mismanagement soon turned the public against them. Indeed, their leadership was bad. They chose a poor point of attack in the discharge of Hall on the Texas and Pacific. They were extraordinarily reckless in their defiance of law. Their General Board neither supported them effectively nor saved the credit of the order by entirely repudiating them.† But, while with shrewder

an able man, but a straightforward and humane one, imbued with a strict sense of duty and discipline, but disposed to just treatment of his subordinates.

Irons testified that the superintendent of the Missouri Pacific proper was "always a gentleman," and "did everything in his power to rectify wrongs done to the men." To the general superintendent he had presented a grievance but once, and had then got what he wanted. He thought this officer also "would go as far as he could and be as fair as he could with his employees." Mr. Litchman, in his report on the strike, says that the testimony before the Congressional Committee "showed conclusively the existence of valid reasons for complaint, and a system of petty tyranny on the part of railroad underbosses, which was beyond the power of human forbearance patiently to endure." So much of the testimony as I have seen, while it indicated some valid grounds for complaint, developed no "system" of petty tyranny.

*One of the Knights, named Cooper, a member of a local grievance committee, testified before the Congressional Committee that, after an interview with one of the railroad officers about a grievance, he was asked by the latter what report he should make. "Well," said he, "I am going to report that on general principles we can down you; but, on figures, you have got the advantage of us."

†It must not be supposed, however, that the strike was the work merely of the leaders. Mr. Litchman, in his report, says: "It is easy enough now

management they might have made a better fight, the attempt to dictate whether or not so vital an industrial function as the railway traffic of modern times should be carried on at all, must eventually have been defeated.

The South-western strike was not an isolated event. The same conditions prevailed on many other railroads. If the men had won a victory on the Missouri Pacific, a similar effort would soon have been made elsewhere; and, perhaps after a severer struggle, would doubtless have met with defeat. On the Denver and Rio Grande road there was in 1885 a strike similar in many ways to that in the South-west. The Missouri Pacific strike in the spring of 1885 was accompanied by a strike on the Wabash, and followed by another on that road in midsummer. The officers of the Union Pacific have been beset for several years with demands, complaints, grievances, threats of strikes, from Knights of Labor among their workmen. The strikes of the coal-miners of the Union Pacific, which led eventually to the massacre of Chinese miners at Rock Springs, were part of the struggle of the Knights against the Union Pacific. A determined trial of strength on that road came in May, 1886, when the brakemen struck, and tried to stop all freight traffic. But the road concentrated a large force of armed guards at Cheyenne, the head-quarters of the outbreak; and its vig-

to say that the strike was ill-timed, ill-advised, and badly managed. It is easy enough now to make Martin Irons a scape-goat, and say he ordered the strike without authority. But the truth is that every Local in the Assembly voted to give the District Board power to demand the adjustment of grievances complained of and the reinstatement of Brother Hall." On the other hand, the Missouri Labor Commissioner testified to the Congressional Committee that "the more conservative element in the order was not in sympathy with the strike," and thought it "causeless and mistaken"; and that, when Powderly issued his first order to return to work, "a great many men went back, but in many instances were prevented, threatened with violence, and quit again."

The surly and exasperating testimony given by Martin Irons before the Congressional Committee gives ample proof of his incapacity as a leader. In *Lippincott's Magazine* for June, 1886, is a braggart autobiographic sketch signed by him.

orous measures, enforced by the recent lessons of the South-west, led to a speedy rout of the strikers.* At the very time of the South-western struggle there were strikes of switchmen at Chicago and at various points in Missouri. In Missouri, the object was to get an advance of wages; and, after traffic had been stopped for a few days, the advance was secured. In Chicago, the switchmen's strike took place on the Lake Shore road, and was directed against the employ of non-union switchmen. It led to a long and bitter struggle, in which the beating of "scabs," derailing of trains, and defiance of law took place in much the same way, though not on so large a scale, as in the great trial of strength on the Missouri Pacific.

In all these cases, the essential cause of trouble was the same,—the instinct for power. There may have been grievances. Sometimes, the demands made were in themselves unreasonable, such as those for the discharge of competent men or the appointment of incompetent favorites. Sometimes, they were reasonable enough. But the true point at issue in almost all these struggles was the control which workmen should have in the management of the roads, and the threatened or actual means of enforcing that control was by annihilation of traffic. The men were endeavoring to secure a share in management beyond that for which they were qualified. The slow and steady movement of society has evolved something like a military organization. The rank and file are assigned their duties and their places by the captains of industry; and a considerable change from this state of things is not to be looked for in the immediate future. The struggle in the South-west was the result of an attempt to shift the centre of power and responsibility. It was watched keenly by the railroad workmen,—in-

* It should be said that the Brotherhood of Railroad Brakemen promptly repudiated the action of the brakemen who struck on the Union Pacific, and expelled from its ranks twenty-six members and suspended thirty others for their action in this strike.

deed, by all classes of workmen, throughout the country; and its signal defeat has sobered the ambitious spirits among them. We have hardly seen the last of these disturbances, but another such upheaval is not likely to come soon.

The history of labor organizations in the present century indicates that they will probably continue to grow in numbers and strength, and to secure a larger and larger share of attention in the management of industrial operations. It is not impossible, for instance, that some such right to employment as the Knights of Labor demanded in the South-western strike may obtain recognition; that arbitrary discharges may be prevented by some method of check and investigation on the part of the workmen's organizations. But their attainment of such a jurisdiction and their general advance depend on the care, the intelligence, the reasonableness with which they are managed; above all, on their capacity to select fit and capable leaders. In the South-western strike, they were led by ignorant and incapable men, not disposed to apply with fairness that control over the employment of workmen which they demanded, not fit to hold such a power over the roads and over the community as they were trying to exercise. Their failure was inevitable. Perhaps such an experience is a necessary phase. The trade-unions of England reached their present condition of comparative firmness and consolidation only after years of hard experience. The locomotive engineers in this country, in the early stages of their organization, showed the disposition to enforce their demands at whatever cost to the community. They were then defeated*; and they have gradually sobered down to an attitude of moderation, and at the same time have attained a settled place and power.

*See the report of the Massachusetts Railroad Commissioners on the engineers' strike on the Boston and Maine road in 1877, *Massachusetts Legislative Documents*, 1877, *House No. 102*. See also the Report of the Massachusetts Commissioners for 1877, on the railroad strikes of that time, pp. 40-65.

Something must be said, in conclusion, on the lessons of the strike for the railroads. Of the policy of the Missouri Pacific and of other roads toward their workmen, it can at the least be said that it has not prevented hatred and hostility, nor interposed any check to an uprising against the employers. On most of the roads of the country, the switchmen, yardmen, and brakemen pick up a job here and there, rove from road to road, and rarely form part of the permanent force of any one. The men take their pay, give their services, and care no more for their employer than for the track on which they ride. Much the same is true of shop-mechanics and other workmen. All are held to a rigid discipline. The nature of the service demands that they should be more or less like machines, and little is done to show that they are considered anything more than machines. No attempt is made to bind the rank and file to the roads by ties of sympathy or advantage. Whatever may have been the objects of the leaders of the Knights in demanding a recognition of their order, the mass of the strikers sympathized with that demand as for a recognition of their manhood.

No doubt, in a half-settled country like that traversed by the Missouri Pacific, a hand-to-mouth policy is in large part inevitable. The industry of the region is growing and shifting, the population is more or less migratory, the roads are fighting for business and territory. But the stage of settlement of living from day to day is approaching its close. The time certainly has come in the older parts of the country,—it is rapidly coming everywhere,—when a systematic and stable organization of industry is possible. The events of the last few years have drawn the attention of railroad managers, as well as that of other large employers, to the need of a more stable, sound, and humane policy towards their workmen. Schemes for bettering the lot of railroad employees and for binding it more closely to the welfare of the roads are cropping out.

The Baltimore and Ohio road set in operation as early as 1882 an elaborate plan for pensioning its employees, insuring their lives, relieving them when sick, and helping their education.* The Pennsylvania road established in 1885 a tentative scheme of the same kind. Other roads have it in mind to try similar experiments. The employees, in their present temper, regard such plans with suspicion; and their success will depend largely on the temper in which they are carried out, and time must test whether they will bring more friendly relations. A disastrous experience like that in the South-west may pave the way both to better reason and sounder progress in the labor organizations, and to a more liberal and far-sighted policy on the part of great employers.

F. W. TAUSSIG.

* See the pamphlet by W. T. Barnard, *The Relation of Railway Managers and Employees*. Baltimore, 1886.

NOTES AND MEMORANDA.

THE *Athenæum* announces that Thorold Rogers has in hand an important contribution to the early history of the Bank of England, dealing with the first nine years after the incorporation of the bank. Much interesting information is said to be drawn by the writer from original sources, and we may reasonably expect to obtain from his investigations a clear understanding of a period which no historian has dealt with in a satisfactory manner.

THE publication of the *Dictionnaire des Finances*, begun in 1883, under the direction of M. Léon Say, by Messrs. Foyot and Lanjalley, both of the French ministry of finance, has been resumed. Parts five and six appeared in November, and we may now hope for the completion of this elaborate and authoritative work.

IT is announced that the Clarendon Press is now printing the fifth and sixth volumes of the *History of Agriculture and Prices* by Thorold Rogers, this instalment covering the years 1583-1702.

THE courageous proposition made by the Secretary of the Treasury in his annual report, to pay off the greenbacks with surplus revenue, is a return to a policy which was familiar ten years ago, but has since been forgotten. Mr. Bristow, in 1875, understood the resumption act to provide for "the final redemption and removal from the currency of the country of the legal-tender notes as fast as they shall be presented for redemption." Mr. Morrill, in 1876, understood the act to provide "for the redemption of the United States notes, and for the issue of national bank-notes in lieu thereof," creating "a monetary system combined of coin and national bank-notes

redeemable in coin at the demand of the holder, in harmony with the Constitution and the traditional policy of the American people." The final disappearance of the United States notes was understood by both of these secretaries, and probably by the general public, to be the necessary and desirable result of redemption under the act of 1875.

This sound position was abandoned, and the way was opened for making the issue of greenbacks a permanent constituent of the currency, when Mr. Sherman, in his report of 1877, expressed the opinion that under the act "notes, when redeemed after the 1st of January, 1879, if the amount outstanding is not in excess of \$300,000,000, may be reissued as the exigencies of the public service may require." With this opinion governing in the Treasury, it was an easy thing for Congress to go one step farther, and say that not only the \$300,000,000, but all that might happen to be outstanding, should be reissuable from May 31, 1878, by the act of that date,—giving us our present fixed issue of \$346,681,016. From the passage of that momentous act, carried through both Houses without debate, no secretary has ventured to urge upon Congress the complete removal of the greenbacks, until Mr. Manning in his report of 1885, and still more emphatically in that of 1886, called upon Congress to redeem its pledges and pay off the unfunded debt.

The jubilee year of Queen Victoria's reign is to be marked by a publication which promises to have a good deal of economic interest. This is *The Reign of Queen Victoria: A Survey of Fifty Years of Progress*, to be edited by Mr. Humphry Ward, and issued early in the year by Smith, Elder & Co. The work is to be a collection of monographs, among which are to be:—

National Finances,
Growth and Distribution of Wealth,
Industrial Organization,
Agriculture,
The Iron Trade,
The Cotton Trade,

by Leonard Courtney.
by Robert Giffen.
by A. J. Mundella.
by Sir James Caird.
by Sir Lowthian Bell.
by J. Slagg.

THE extent to which the English gold currency has suffered in weight was measured in July last by weighing in several of the London banks a large amount of coin, in parcels of one hundred sovereigns or half-sovereigns. The leading results were these:—

	100 Sovereigns.	100 Half- sovereigns.
Standard weight,	12,327.45 grs.	6,163.72 grs.
Legal allowed weight,	12,250.00	6,112.50
Actual average weight,	12,248.00	6,063.30
Greatest observed weight,	12,257.00	6,074.00
Least observed weight,	12,232.00	6,047.00

The sovereigns then, in parcels of one hundred, range from .9923 — to .9943 — of the full standard weight, and half-sovereigns from .9810 + to .9854 +. A large part of the sovereigns and every parcel of half-sovereigns were so far below the standard as to be no longer a legal tender.

This evil appears to have advanced rapidly of late; but its existence has been observed for years, and the necessity of applying some remedy has long been recognized. But we believe that no Chancellor of the Exchequer has had the courage to propose a direct appropriation of money for the reformation of the gold coinage. The scheme of Mr. Childers for meeting the cost of reform by debasing the half-sovereign, and making it legally a token only, was a fair enough illustration of the disposition of English statesmen to shirk the cost of a real cure.

If the English government should at last deal with this subject by calling in the present gold circulation, it is hardly probable that the half-sovereign would be issued again. The *Economist*, indeed, proposes its withdrawal and the substitution of subsidiary silver in its place, the profit on such an issue being used to establish a fund with which to keep the issue of sovereigns in good condition hereafter. It will be observed that in France the gold five-franc pieces were withdrawn from circulation during the last year, and that the Bank of France was understood to retain all ten-franc pieces received, with a view, as was supposed, to their ultimate withdrawal by the French Mint. Both in France and in England, the chance of making a small addition to the market for silver will be one

of the considerations in favor of discontinuing the use of a gold coin which happens to have special inconveniences in use.

THE September number of the *Giornale degli Economisti* contains an article by Signor Rosmini, inspector-general of the treasury, on the measure by which the Italian government is seeking to counteract some of the evil effects of the public lottery, from which a discreditable revenue is drawn by the State. The measure referred to is an Act passed in 1880, under the lead of Magliani, providing that prizes of less than one thousand francs, on request of the payee, shall be converted into deposits in the postal savings bank, drawing interest at three and one-half per cent. from the date of application. The provision was applied to the smaller prizes, because it was found that the increase in the number of tickets sold was due to the greater number of small ventures made by the poorer class of people, showing that the evil is spreading where saving most needs encouragement.

The Italian statesmen appear to have entertained moderate hopes as to the success of this mild remedy. They trusted that the sight of a deposit book where it had been unknown previously might do something, and that here and there the inducement to future economy might begin to compete with the passion for gambling. The results, according to Signor Rosmini, have shown the wisdom of indulging in few illusions, as may be seen from the figures:—

		Prizes not over 1,000 fr.		Prizes converted into deposits.	
		No.	Amount.	No.	Amount.
1881 [half].	900,621	19,794,596	76	9,246	
1882.	1,703,201	36,248,006	223	28,847	
1883.	1,608,849	35,174,437	324	47,226	
1884.	1,761,391	36,417,237	440	74,905	
1885.	1,801,326	38,145,074	758	147,571	

Signor Rosmini points out, however, that only one-tenth of the one thousand seven hundred and thirty lottery offices are yet organized so as to transact the business of conversion promptly, that thorough publicity has not been given to the offer of conversion, and that the active influence of the officials is yet to be stimulated; and he has strong hope, there-

fore, of seeing the increase from a small beginning, shown in the above table, lead to important results.

Although the lottery appears to be a permanent resource of the Italian treasury, it is to be noted that it is recognized legally as only a provisional arrangement. The Act of 1863 first forbids public lotteries in general terms, and then declares that "the *giuoco del lotto* is provisionally maintained for the benefit of the State"; and the same phrase is used in an Act of 1881. The existence of the lottery has been deplored, and it has been treated as an immoral resource by one statesman after another; but, in the poverty of Italy, no minister has yet found himself strong enough financially to sacrifice the thirty million francs net which remain after the payment of expenses and of about forty millions in prizes.

A French translation of the Act of 1880, to which Signor Rosmini refers, and of some other regulations on the same subject, may be found in the *Annuaire de Législation Comparée* for 1880, p. 320.

MARSHALL'S THEORY OF VALUE AND DISTRIBUTION.

Now that Mr. Marshall fills the chair at Cambridge vacated by the death of Professor Fawcett, he may properly be considered, for that and other reasons, the foremost economist of the day in England. It is understood that, while still living at Bristol, he had been making special studies in the subject of value. In his volume entitled *Economics of Industry*, he has laid down a fundamental law of value, in the nature of an improvement on the work of Mr. Cairnes. It is, therefore, worth considering whether Mr. Marshall has really advanced our knowledge of the principles regulating value, or not. It seems quite possible that he has not.

After defining value in exchange in the usual way, he gives to the term, cost of production, the meaning contended for by Mr. Cairnes, and defines it as consisting of "the efforts and abstinences required for producing" a commodity (p. 73). In discussing the value of commodities capable of unlimited increase, however, he disagrees with Mr. Cairnes, and denies to cost of production the character of a regulator of value where

competition is free. Instead, he sets up a new conception, termed "expenses of production," by the side of cost of production. By way of illustration, he points out that a carpenter in making a box undergoes certain sacrifices, and in the following words explains what is meant by expenses of production:—

The carpenter, however, in deciding whether to make the box or not would not care to examine all these efforts and sacrifices: he would decide in a much easier way. He would calculate what it is proposed to call its expenses of production. He would, as we have seen, want to know what prices the various efforts and sacrifices in question would command in the open market; he would want to know what price he would have to pay for his material, what wages he could obtain for his own labor, what was the rate of interest at which he could borrow such capital as he wanted, and so on. These various sums of money, when taken together, may be called the *expenses of production* of the box. (p. 72.)

The value of a commodity is then declared to be regulated, not by cost of production, but by expenses of production, as may be seen in the final summing up of the law of normal value:

The normal value of a thing in any market, or that value which would on the average be brought about by the undisturbed action of free competition among its producers, is equal to its expenses of production there. Whenever the value is below this level, forces are brought into play which tend to raise it; whenever it is above this level, forces are brought into play which tend to lower it. The value of a commodity is in equilibrium and has no tendency either to rise or to fall when the amount produced can just be sold at a price equal to its expenses of production. (p. 77.)

The error in these statements seems to me to be serious and fundamental; so much so, in fact, that a doubt is raised whether the author's meaning has been correctly understood. It is certainly a serious error to define value in terms of value; but this is what Mr. Marshall has seemingly done, with the consequence of arriving, in his law of normal value, at nothing more than identical statements. In the illustration of the carpenter and his box, it is stated that expenses of production are made up of the *prices* paid for the various efforts and sacrifices involved in production. Now, of course, price is itself only an expression of value; but in so fundamental

a law as that of normal value he goes on to say that normal value depends upon the *prices* of certain things,—the prices paid for the sacrifices of laborer and capitalist undergone in the production.

Mr. Marshall, however, finds that "this law is not complete, because it takes no account of the fact that the expenses of production are not fixed, but depend upon the *amount produced*." (p. 78.) One hopes that the author will now extricate himself from the difficulty; but he completes the law by the following statement:—

An increase of demand increases the amount produced, and this alters the expenses of production; so that value depends partly on demand, because normal value is equal to normal expenses of production, and demand is one of the determining causes of these expenses. The law of normal value requires then to be supplemented by the statement that:—

The normal supply of a commodity is such that its normal expenses of production equal the price which will call forth a demand for this amount; and the price so determined is the normal price. (p. 93.)

The context seems to show that, in the meaning of the author, demand has an effect on expenses of production in some such way, for example, as would result from large production. When large quantities of commodities are produced under one management, the expenses of production may fall. But, of course, this modification does not touch the real difficulty in Mr. Marshall's statement of normal value.

If value depends upon expenses of production, and if expenses of production depend upon the "prices of the various efforts and sacrifices," the question naturally arises in the mind, What governs the prices to be paid for these efforts and sacrifices? The payment, for instance, of one effort is the wages of labor; and this implies some theory as to what regulates wages, or a knowledge of the principles of distribution. But, in Mr. Marshall's exposition, the subject of value is treated before that of distribution. So that, when studying value, there are no means yet offered of ascertaining the prices to be paid for the sacrifices of production.

Still, passing over this defect in the order of the exposition, the difficulty in regard to the law of normal value becomes even more formidable when we take hold of the author's

theory of distribution. The problem of distribution is clearly stated as follows:—

In the first book, we have inquired into the *production* of wealth, and have seen how the real net annual income of the country is determined. We have seen how that share of it which the landlord can claim as rent is fixed by definite economic laws; and, as the share which the State assumes to itself as taxes depends on causes which cannot be examined here, we must take it for granted. We may then regard the amount which remains, after deducting rent and taxes from the net annual income of the country, as a given fund, and call it the Wages-and-Profit Fund. The problem of *distribution*, with which we shall be chiefly occupied during the rest of the present volume, consists of an inquiry into the way in which this fund is divided up. (p. 95.)

Omitting all discussion now as to the respective shares assigned to labor and capital from this fund, it will be sufficient to call attention to the very elementary truth that this wages-and-profit fund is, of course, made up of wealth, or articles having value; and that the amount of the fund changes accordingly as the articles of which it is composed rise or fall in value. The demand for the products of any industry, or group of industries, for example, may become stronger: the value of these products may be accordingly raised, and so the wages-and-profit fund may be larger. This reasoning is in accordance with Mr. Marshall's general teaching, and with the facts of daily experience. When, for instance, an extension of railway building causes a stronger demand for iron, the value, or price, of iron, rises, and wages and profits in that industry rise; for, inasmuch as the products bear a higher value, the wages-and-profit fund will be larger. Wages and profits, then, must depend for their amounts upon the value of the wages-and-profits fund.

Here, however, we meet with a serious difficulty. In Mr. Marshall's theory, value conforms to expenses of production; but, on his own showing, expenses of production are ultimately resolvable into wages and profits.* What determines the

* "We have seen that the expenses of production of a commodity may be reckoned in such a way that rent does not enter into them. The remaining expenses may be classed as wages, profits, the expense of raw material, and other circulating capital, the wear and tear of fixed capital, and taxes. . . . But all these may, as a rule, be classed as wages and profits." (B. II., chap. vi., p. 94.)

value of the wages-and-profit fund, according to the author? Evidently, it is determined according to his law of normal value by the expenses of production, or, in other words, by wages and profits. We are logically led, therefore, to the proposition that the value of the "Wages-and-Profit Fund" depends upon the amounts paid as wages and profits! The obvious identical proposition is that the value of the fund to be divided conforms to the sum of the parts into which it is divided.

The cardinal difficulty, one must believe, lies in the attempt to set up the expenses of production as a regulator of value. Cost of production the author declares to be unfit to serve as a regulator of value. When it is stated by other writers that "value tends to equal cost of production," Mr. Marshall says:

This, of course, does not mean that the value of a thing tends to equal what is called, in this book, its cost of production; i.e., the efforts and abstinences that have been required for making it. What is meant is that the value of the thing tends to equal the sum of those values which measure the efforts and abstinences required for making it,—that is, cost of production is used to denote what we have expressed by the term "expenses of production"; for an exchange value, or price, though it may be equal to a set of exchange values or prices, cannot be equal to a set of things unlike in kind to it. There cannot be any direct comparison between one set of efforts and abstinences and another. We cannot subtract the labor of a carpenter in making a box from the labor of a watchmaker in making a watch. (p. 97.)

This quotation fully develops the position of the author in his attempt to dispense with cost of production as a regulator of value; and it also shows distinctly enough a misunderstanding of the grounds on which it has ever been proposed to assert that value depends upon cost of production. *Where competition is free*, two articles, in whose production the efforts and sacrifices are equal, will exchange for each other; and, other things being the same, the efforts and sacrifices will be rewarded by the same payments. So that, where the costs of production are the same, it is also true that the expenses of production, or the sums paid for the sacrifices, will be equal. And, in such a case, it is found to be true that the commodities might exchange for each other in proportion to

their expenses of production. But, where *competition is not free*, as in the example of the carpenter and the watchmaker, exchange value is not governed by cost of production, but, as Mr. Cairnes has clearly shown, by reciprocal demand. Under these conditions, if the value of one article relatively to another is out of proportion to the relative sacrifices incurred in their production, it may happen that the sacrifices in producing the one article will be more highly rewarded than the sacrifices in producing the other. If this be true, wages and profits, or the "expenses of production," are high, because of the influence of reciprocal demand.

J. LAURENCE LAUGHLIN.

SOME OBJECTIONS TO PROFIT-SHARING.

[The following pages are an extract from a Dissertation for which the author received a Bowdoin Prize in Harvard College in 1885. The author's consent to the present publication was asked, in view of the fact that his essay represents a side of the question as to Profit-sharing not commonly set before the public.]

The highest claims have been advanced by the advocates of industrial partnership for its possibilities in effecting a solution of the labor problem. The capitalist, it is said, may justly expect to see introduced into his relations with his work people stability and peace, a strong corporate spirit, and a feeling of solidarity of interests which shall secure real co-operation from them instead of perfunctory service, and put an end to that class feeling which bands workmen together as in a league against their employers. The workman, too, will receive, besides his increased share, indirect benefits of no little importance. The extra profit or bonus makes a valuable incentive to saving, and encourages a more intelligent spirit of toil and a better appreciation of the economic conditions surrounding business and industrial life. In short, through the beneficent workings of the system, the demands of labor will be met, and the disputes between labor and capital permanently ended. The influence of this change in the industrial conditions is expected to be so great as to

effect a moral regeneration among the laboring classes, to stir into activity all ranks of industrial life, and to quicken even the lowest of the world's workers with the fire of ambition from new opportunities for material advancement. A system which promises such momentous results, and which proposes so important a change in the relations between capital and labor, is worthy of the most careful examination.

In the first place, it is to be observed that the discussion by the advocates of profit-sharing is based, for the most part, upon the cases in which the scheme has been adopted in Europe and in this country. The methods of induction have been used almost altogether. But, in the study of any such important rearrangement of industrial relations as is contemplated by this system, an extremely full collection of data is necessary, in order to arrive at any conclusive result from induction. There are, at present, few such data at hand. All the instances ever collated, which are not more than one hundred in number, form a very small point in the great world of business. They can have but little weight in determining the value of industrial partnerships as a prevalent and permanent industrial arrangement. So many and various are the causes contributing to the success or failure of a year's business with any individual firm, that a very large number of cases must be taken from which to draw an average that would eliminate or offset against each other all accidental circumstances. Then, too, the actual application of the system of profit-sharing has been so limited that the cases, from their very novelty, have often been surrounded by a set of special circumstances. To allow the full import of industrial partnership to be seen, these special and accidental circumstances must be eliminated by averaging a great number of cases.

Let us, then, see what theoretical grounds can be found to base the discussion upon, since induction at present must prove inconclusive. And here it should be understood that industrial partnerships must be regarded in the investigation as the permanent and prevalent industrial system of the country, and all arguments should recognize or be based upon this assumption. The present exceptional and experimental character of the system must be left out of sight as far as

possible, and favorable or unfavorable conditions due to this cause eliminated from the discussion.

What is the nature of wages? A capitalist and some laborers enter into an agreement for the purposes of production. Of the product, the capitalist is entitled to retain a certain share, and the laborers a certain share. Owing to the peculiar advantages which the possession of capital gives, the capitalist can wait till the product is sold before he claims his share; and, also, he can relieve the necessities of the laborers, who cannot wait, by paying them a certain fixed sum, at regular intervals, out of his capital, for which he expects to be reimbursed by the subsequent sale of the product. In consideration of this regular payment in advance, and the uncertainty which must always hang over the capitalist as to whether he shall be fully recouped at last, and also to indemnify him for his loss of interest, the laborers agree to take a smaller amount than they would otherwise be justly entitled to; i.e., if they took their share on the same terms and uncertainties as the capitalist. In other words, wages are a *commutation* of the laborer's share of the product. The deduction from his theoretic share is a premium which he pays for the insurance of that share. But it is now demanded that the laborer shall receive not only his commuted fixed advanced share, but a fluctuating deferred share as well, if the product should happen to furnish the capitalist with an unusually large return. The capitalist is asked to give up some of that premium which makes it possible for him to pay a regular stipend to the laborers. The laborers are to be paid twice over,—are to receive their insured part of the product and be presented with the premium besides. The arrangement is an obviously unfair one.

This objection implies an uncertainty in the rate of profits; and here is an important consideration, which cannot be overlooked. The profits of nearly every form of business, under the stress of competition and the causes which produce fluctuations in the business world, are uncertain. The "average rate of profits," of which the economists speak, must not be taken too literally. The business man reckons his profits at so much per year, if he takes a series of years together; but

there will come times, with the best and most conservative business heads, when profits, owing to various causes which may be entirely beyond the control or the foresight of the individual, may quite disappear, or even give place to loss. Unforeseen rumors of war abroad, a season of cholera, unexpected action concerning tariff, by foreign governments or at home, a sudden disorder of the money market,—any one of a dozen causes may influence the result of a year's business for good or for bad, and that entirely without fault of the controlling head of the firm. But suppose that, in previous years, under a system of industrial partnership, the firm had divided all beyond a "fair" profit with their employees. They have now no resource such as they would have had if they had kept whatever profits they had made in good years for just such an occasion as this. Will the employees now turn about, and share losses with their employers? Assuredly not,—that is impossible. In a good year, then, capital may make what seems a large profit; but this will only make a fair average with bad years. Having shared the profits of prosperity, capital now has to bear the loss of adversity alone. To quote the words of a prominent American manufacturer, "We can give away profits, but would like to know how we can share losses."

Propositions have not been lacking for methods by which capital can "share losses" as well as "give away profits." The most feasible of such plans is the reserve fund system. In good years, a certain per cent. of profits is to be laid aside before paying bonus to labor, and put into a reserve fund which shall serve to support the establishment during the troublous times of a bad year or a commercial depression. In itself, the plan has justice to recommend it, and, if it could be consistently carried out, would probably meet the objection for which it is intended. The practical drawbacks to its introduction are, however, serious. The chief idea of industrial partnership is the direct stimulus of the prospect of immediate gain to the laborer. This stimulus is blunted by any prior claim on profits beyond the absolutely necessary one of immediate return of profit and interest on capital. The

same exertion will not be made, the same care and economy will not be exercised, to put money into a reserve fund, that would be exercised if the laborers knew that they were putting so much money into their own pockets. Hence, one chief cause of the efficiency of profit-sharing is in great degree lost.

Theoretically, the above objection concerning the inequality of profits in different years is of less weight than is generally given to it by practical men. The extra profits to be made by the increased efficiency and economy of labor, acting under the stimulus of immediate gain, is due, according to the theory of profit-sharing, to labor alone, and should be the property of labor alone. When the capitalist pays over this amount to labor, he is paying what really belongs to labor. He is not actually *sharing* anything, except under the conventional idea that all profits belong to capital.

In putting such ideas into practice, however, almost insuperable difficulties arise, sources of endless disagreement and dispute are opened. In actual business, it would prove extremely difficult to persuade the average business man that the profits which he saw standing in his books at the end of the year were not his own. They may have been gained by the increased efficiency of labor, but that is an almost imperceptible process. The business had gone on as usual. Orders had come in and been filled, the book-keepers had gradually filled up the books with figures relating to the details of the business, the laborers had all received their weekly wages, and gone about their work very much as usual. Is it likely that the average business man will see anything in all this to make him regard the profits he figures up at the end of the year as belonging in any part to his workmen? He has always been taught to regard them as his own, and he will continue so to regard them. And all this is on the supposition that he has been induced to believe in this scheme, as destined to regenerate the world of industry, and to give it a trial, and it is needless to say that this is a violent supposition to extend over all the various ramifications of business; for industrial partnerships must become the prevalent and

permanent organization of industry, according to our supposition. We can now see what a difficult supposition this is. The introduction of the system of profit-sharing has been the work of a few philanthropically inclined gentlemen, entirely from their own initiative. Its advantages, certainly, are not evident to most business men. And, however honorably those philanthropically inclined gentlemen have carried out their own agreements with their workmen, the morals of business are unfortunately such that it would be almost absurd to expect such action on the part of the entire business community. The only safeguard the interests of labor could have would be the publication entire of their employer's accounts, with the full record of profits or losses. And this is the source of another very serious objection to profit-sharing.

Secrecy in the matter of a firm's accounts is one of the most important elements in the security and stability of business, even in the soundest houses. If it were allowed to leak out whenever any temporary embarrassment arose, or if a firm published as its profits at the end of the year a much smaller amount than was recognized as necessary for the safe conduct of business, or, still worse, if it were obliged to publish the amount of its losses instead of its profits, there would at once be an end of all credit. And in credit is the main-spring of all business. What bank would keep up its discounts of the paper of a house that was confessedly losing money? Would such a house be able to make its purchases on time at favorable rates? A temporary embarrassment may arise in the safest and most conservative house, which can be tided over by means of its credit; but that credit would rapidly disappear if the condition of its affairs were published. This is one feature of profit-sharing that militates strongly against its general adoption.

Another objection to profit-sharing frequently put forward is based upon the same necessity of publishing the affairs of participating firms. It is that, if a house is making unusually large profits, and it becomes known, capital will immediately be attracted to that business, and competition will force down profits,—a thing which the firm could have avoided by keep-

ing secret the rate of its profits. But this objection relates to circumstances entirely incidental and exceptional. There are very few lines of business that make exceptional profits from lack of competition and as a permanent thing. These will inevitably be discovered, and the rush of capital will begin. Such circumstances can have little weight in the consideration of industrial partnerships, as applied to everyday business.

The Orléans Railway in France is one of the oldest cases of industrial partnership. For twenty years, it practised the system with considerable success, down to the years 1863-1870, when the profits going to labor fell off, and were reduced to a very low figure. This was due, partly to a change in the regulations, requiring a payment into a pension fund before distribution should be made to employés, but chiefly to the great extension of the railway by the absorption of other lines, and consequent great increase in the *personnel*, without a corresponding increase in the profits. In 1844, the number of participants was 719. In 1882, the number was 16,935. This experience illustrates one serious practical obstacle to the application of the principle of profit-sharing. This difficulty is liable to be felt not only in consequence of "stock-watering" in corporations,—sometimes a necessary and legitimate business operation,—but in private firms as well. Such a firm might wish to extend its operations, employing a large force of workmen to perform its increased business, and adding, possibly, to its capital. Now, in this case,—as very frequently happens in our large retail establishments,—the firm might be satisfied with a considerably smaller rate of profits, supposing that its increased facilities permitted it to turn over its capital more frequently every year. The increased force of workmen required to do this increased business, however, would not gain, but would suffer, supposing a system of profit-sharing to be in force. Though the gross profits of the firm might be enough to satisfy it, even though they were a smaller percentage of the capital,—for the total income might remain the same or even be increased,—yet the amount going to each workman would be reduced or entirely swept away. Industrial partnerships would thus be made impossible in a large class of

establishments, or at least would be greatly impaired in their efficiency.

The *entrepreneur* is perhaps the most important man in the modern industrial system. The greatest rewards in the field of business are paid to him who can best carry on the great business enterprises of the world. The managing ability is a very rare one in its highest development, and its reward is proportionately great. But there is as much difference in the quality of those who undertake the functions of the *entrepreneur* as in any other branch of human activity:—

The successful conduct of business under free and active competition is due to exceptional abilities or to exceptional opportunities. . . . First, we have those really gifted persons who, in common phrase, seem to turn everything they touch into gold. . . . Next, . . . the much larger class of men of a high order of talent, . . . sagacious, prompt, and resolute. . . . Then the men . . . well-to-do or pretty well-to-do, . . . men who are never masters of their fortunes, . . . yet who win no small profits. . . . Lower down . . . are a multitude of men who are found in the control of business enterprises for no very good reason that can be seen, . . . sometimes doing well, but more often ill. . . . More commonly, they have forced themselves into business under a mistaken idea of their abilities.*

Such being the difference observable between different members of the managing class, what would be the result, under a widely spread adoption of industrial partnerships? It would be simply to subordinate the pay of the laborer to the success of the capitalist who employs him. Let us suppose two factories, run by two *entrepreneurs* of different degrees of business ability,—one a highly successful “captain of industry,” the other, one of the lower grades of men. Industrial partnership is adopted in both mills. The two sets of laborers work equally hard under the stimulus of the expected addition to their stipulated wages. They are equally economical, and, on the whole, equally skilful and efficient. At the end of the year, it is found that one mill has made large profits; the other, scarcely enough to pay interest on the capital invested. The one pays its stockholders a handsome dividend, and has enough to divide ten or fifteen per cent. of

*F. A. Walker, *Political Economy*, pp. 248–251.

wages as a bonus among its operatives, besides the current rate of wages. The other set of laborers receive nothing beyond their wages. This disparity has arisen, not from any fault of the second set of operatives, not through any deficiency in productive capacity of the second mill, but solely through the poor management of the business in the counting-room. It is neither equitable nor reasonable that such results should appear; yet they must inevitably and constantly appear, under an extended system of industrial partnerships. It is needless to say that it is simply impossible that any industrial system should long be carried on under such inequitable conditions. It is an imperative demand of economic law that, where competition and the movement of labor are free, similar services shall receive the same reward. As the rate of wages in one cotton mill cannot permanently vary from the rate in another, still less can the rate of reward for equal services vary—as it would inevitably vary under a system of industrial partnership—between two such mills as we have supposed, which might be on opposite corners of the same street.

We may venture, however, to draw one general principle, which, if established, will prove of great practical service in the application of industrial partnership, when some means have been found of escaping the difficulties suggested. A study of the actual cases of its trial will show that, where capital plays a subordinate part, where the functions of the *entrepreneur* are reduced to the minimum, where wages of superintendence to secure the best results are necessarily high under the ordinary conduct of the business, there will industrial partnership be applied with the best chance of success. Take, for example, the celebrated Maison Leclair, the Parisian house-painting establishment, where profit-sharing was first introduced. The business of house-painting is one in which capital holds a subordinate part. Labor is the chief factor. On skill, industry, care, and economy, and a high standard of work done, rest the reputation and the success of the house. These things industrial partnership is likely to secure. Superintendence is difficult and expensive where workmen are scattered, perhaps, over a whole city. Such a business does not require for its success the great faculties

of business management, the rare qualities of an *entrepreneur*. Let it be for the interest of the workmen that they exercise skill, care, economy, and industry, and they become their own superintendents. The money that would otherwise be paid for this can with justice and profit be paid to them.

Similar is the case of the Orléans Railway. Material used, fuel, and the wear and tear of the rolling-stock and other costly equipment constitute a great part of the expense of running, when once the road has been built. Superintendence here, too, is difficult, and expensive in the extreme. In fact, every employee of a railway must necessarily have a certain responsibility, not only over materials, but also over human life,—from a business point of view, far more costly than materials,—utterly unknown to the ordinary workman. To secure the best meeting of this responsibility, industrial partnership may prove, in a limited measure, effective.

Agriculture is another example of the same sort. Manual labor is the chief part. Capital is in the background. The functions of the *entrepreneur* almost disappear, and increase of efficiency of labor makes an important element of success.

With industrial partnerships in manufactures, however, the case is far different. Most of the objections are here applicable in full force. Financial management is a preponderating part of the business. Much labor-saving machinery is used, requiring little operative skill; and such skill and industry as are necessary may be easily secured, from the fact that all employees are together in one building, and superintendence is easy and effective. Success depends chiefly upon the controlling head in the treasurer's office.

But, granting all that is claimed for the system of industrial partnership by its advocates, suppose it introduced and in operation in all the various departments of industry where labor is hired. In what respect will the situation of labor and capital be changed? What present difficulties are settled? Will there be any less difficulty between employers and employed concerning the rates of wages, independent of the question of bonus? There will be exactly as much as at present to quarrel over in fixing that rate. The most that will result will be a slight change in the respective levels

of return to capital and labor, and the permanence of this change may well be doubted. All labor would receive a greater or less additional return under the name of "profits" or "bonus"; but when these "profits" become the rule, and not the exception, will the prospect of receiving them afford the same stimulus that it does now? It is even a question whether the action of competition would not force down the rate of wages, strictly so called, until the total remuneration is no greater than at present.

As for the solution of the "labor problem," which is confidently asserted to have been discovered in industrial partnership, it is a delusive hope. Profit-sharing firms please and satisfy their employees by the "profits" or "bonus" which they pay them beyond their usual wages, such as their less favored fellow-workmen receive, and then announce that they have found an end for strikes and all difficulties with labor. Is it not possible that much of this satisfactory result is due to the exceptional character of the system at present, and the exceptional position of operatives, instead of to any essential virtue of the system which will continue after it has become universal? The glamour and emotional interest which surround the experiments in industrial partnership have prevented any practical test from ever yet being made, that would give the system an undoubted claim to be considered a solution of the "labor problem." There are practical considerations, as we have seen, which will probably render any such test impossible. But it would also seem that there are theoretical reasons for doubting the justice, the reasonableness, and the efficiency of the scheme as a possible rearrangement of the industrial system.

RICHARD ALDRICH.

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APPENDIX.

THE ACQUISITION AND DISPOSITION OF THE PUBLIC LANDS.

[See page 169.]

The first three columns of Table I., on the next page, are based upon the statement of the areas of parcels of the territory of the United States in the *Census Atlas* of 1874, corrected by careful comparison with the revised areas which appear in the *Compendium of the Tenth Census*, 1413, and in Donaldson's *Public Domain*, 1190. The totals of the first and second columns agree with the census estimates. For the third column, the data for subtractions on account of reservations and private claims have been obtained from Donaldson, 69, 73, 82-85, 233, 367-382, 405-409. The fourth column is found by subtracting for each year the total disposition (shown in acres in Table II.) from the total area acquired (shown in Table I., column 3).

As I have found no official statement of the disposition of the public lands year by year, Table II. has been compiled from information in the *Reports of the Land Office* and in Donaldson's *Public Domain*. The column of sales is derived solely from the reports in *American State Papers, Public Lands*, I., 82, II., 442, III., 420, 450 (1787-1819); *State Papers*, 1820-21, vol. I., Doc. 8, p. 16; *Senate Documents*, 1823-24, vol. III., Doc. 59, p. 9, and 1833-34, vol. I., Doc. 9, pp. 60-63, 82 (1820-1833); *House Executive Documents* for the years 1834-1845, 1847-49, 1851-58, 1862-1883; *Senate Executive Documents* for the years 1846, 1850, 1859-1861 (1833-1883). The total (102,584,116) is about 14,000,000 less than the total found by adding the items of sales in Donaldson's *Public Domain*, 519. There is a discrepancy, therefore, between the yearly official reports and the semi-official statement of 1883.

The table tallies with the last total I have found stated by the Land Office in 1833. The three columns of grants, to individuals, to States, and for internal improvements, are based upon the principle that, so soon as Congress passed an act under which a claim upon the government accrued, the land was disposed of. In many cases, particularly those of the swamp lands, railroad grants, homestead and tree claims, there will be extensive reversions. The second column, of grants to individuals, is compiled from statements in Donaldson, with the addition of a few gifts shown by the *Statutes at Large*. The total is eight millions more than Donaldson's, but I have included a number of grants which are not footed into his results. The third column is also derived from Donaldson, and agrees with his total within two millions. The fourth column overruns his total by a hundred millions. I have included all railroad grants, though patents have not been issued.

ALBERT BUSHNELL HART.

TABLE I.
SHOWING APPROXIMATELY THE
ACQUISITION OF THE PUBLIC LANDS OF THE UNITED STATES.
1783-1883.

[Areas in Square Miles.]

Areas acquired by the United States.	Total area under exclusive jurisdiction of the U.S.	Areas of land acquired by the U.S.	Total area of land under ownership of the U.S.		
819,815	175,210 229,536 262,824 267,789 267,473	168,250 54,316 33,142 4,965	168,250 222,566 255,708 259,015 258,292	1783 1784 1785 1786 1787 1788	
819,815	967,473	260,673	258,292	1789	Totals.
	309,423 267,473 301,573	34,022	258,292 254,921 288,927	1790 1796 1798	
819,815	301,573	294,695	287,303	1800	Totals.
	301,669 361,716 1,198,224 1,198,224 1,162,596 1,126,686 1,080,346 1,024,346 1,027,046	45,532 863,308 225,948 9,290	287,858 333,108 1,194,827 1,419,249 1,416,080 1,409,352 1,404,973 1,399,438 1,442,603	1801 1802 1803 1805 1812 1816 1817 1818 1819	
877,268 225,948 9,790	1,027,046	82,276			
54,240					
1,986,061	1,027,046	1,491,009	1,438,385	1820	Totals.
	961,479 905,266 847,851		1,437,476 1,338,094 1,330,436	1821 1836 1837	
1,986,061	847,851	1,491,009	1,313,790	1840	Totals.
262,290 58,880 614,439 47,330	793,632 1,028,949 1,572,936 1,426,985 1,474,315 1,395,110 1,300,557	58,630 579,919 47,330	1,284,356 1,337,807 1,890,013 1,750,869 1,754,614 1,601,906 1,590,369	1845 1846 1848 1850 1853 1858 1859	
2,970,000	1,300,557	2,176,988	1,578,822	1860	Totals.
	1,218,939 1,109,294 1,564,696 1,461,247	531,400	1,556,654 1,403,063 1,802,992 1,749,271	1861 1864 1867 1876	
3,501,509	1,461,247	2,708,388	1,705,938	1880	Totals.
3,501,509	1,461,247	2,708,388	1,645,015	1883	Totals.

TABLE II.
SHOWING APPROXIMATELY THE
DISPOSITION OF THE PUBLIC LANDS OF THE UNITED STATES.

1783-1883.

[Areas in Acres.]

Sales.	Grants to individuals (other than for internal improvements).	Grants to States (other than for internal improvements).	Grants for internal improvements (to States and corporations).	Total disposition.	
1,037,259	23,040			1,060,299	1787
459,727	12,000			462,727	1788
1,487,986	35,040			1,523,026	Total to 1790.
	100			100	1792
48,500	24,000			24,000	1795
36,365	2,095,220			2,143,786	1796
	300			38,665	1800
1,574,917	2,154,660			3,729,577	Total to 1801.
360,281	101,700			461,981	1801
340,010		24,216		364,226	1802
181,068	36,800	773,608		961,476	1803
373,612				373,612	1804
619,266				619,266	1805
473,212				473,212	1806
359,012	13,120			372,132	1807
213,472				213,472	1808
231,045				231,045	1809
235,578				235,578	1810
288,930				288,930	1811
436,932	4,853,600	832,164		6,122,696	1812
145,062				145,062	1813
828,411				828,411	1814
1,075,183				1,075,183	1815
1,475,679	77,232	726,437		2,277,348	1816
1,329,142		873,664		2,802,806	1817
2,388,864		1,153,175		3,542,039	1818
5,110,628	23,040	1,017,974		6,151,642	1819
784,608		1,291,299		2,075,907	1820 (1st half).
19,493,212	7,260,152	6,692,537		33,375,901	Total to 1820-21.
303,404				303,404	1820 (2d half).
781,213				781,213	1821
801,226				801,226	1822
653,320				653,320	1823
-2,469,517				-2,469,517	1821-1823
749,323	23,000			772,323	1824
893,462				893,462	1825
848,082	22,508			870,590	1826
526,728				1,718,494	1827
905,600			791,696	1,799,426	1828
1,244,860			833,826	1,244,860	1829
1,929,734	1,422,093		29,582	3,381,379	1830
2,777,887				2,777,887	1831
2,462,342	301,580			2,763,622	1832
3,856,278	200,000			4,056,278	1833
4,636,219	36,000			4,694,219	1834
15,234,430	500,000			16,434,430	1835
20,074,871		2,138,117		22,212,988	1836

TABLE II. (continued).

Sales.	Grants to individuals (other than for internal improvements).	Grants to States (other than for internal improvements).	Grants for internal improvements (to States and corporations).	Total disposition.	
5,601,103				5,601,103	1837
3,414,907			125,431	3,540,338	1838
4,976,383				4,976,383	1839
2,236,890				2,236,890	1840
93,043,927	9,765,933	8,830,654	1,780,505	113,420,119	Total to 1841.
1,164,796		7,906,554	259,368	9,330,718	1841
1,129,218	210,720		24,219	1,364,157	1842
1,605,264	640			1,605,904	1843
1,764,763	144,131			1,898,894	1844
1,843,527		1,907,967	796,630	4,638,124	1845
2,265,731		1,056,709		3,314,440	1846
2,521,306	13,210,360			15,731,666	1847
1,887,553			113,348	2,000,901	1848
1,329,903	1,280	13,831,443		15,162,626	1849
1,405,839	15,733,285	59,998,217	3,751,711	80,889,052	1850
1,846,847				1,846,847	1851
1,553,971	1,735,976		2,514,711	5,803,758	1852
1,085,405	290,534	9,254,079	2,682,171	13,310,270	1853
7,035,735	373,929	92,160		7,501,824	1854
15,729,825	33,993,790	550,893		50,274,208	1855
9,227,879		3,098,710	14,559,729	23,787,608	1856
4,142,744			5,118,450	12,359,904	1857
3,804,908	6,667			3,811,575	1858
3,961,581		3,421,866		7,383,447	1859
3,461,204		3,929,279		7,390,483	1860
161,796,816	75,466,345	113,969,531	31,600,843	382,832,534	Total to 1861.
1,465,604		13,361,902		14,827,506	1861
144,850		9,600,000	23,504,001	33,249,851	1862
91,354	1,075,775	3,068,221	4,459,143	8,674,503	1863
432,734	1,247,170	6,844,551	47,309,927	55,734,382	1864
557,212	1,141,443	4,031,328	1,328,000	6,057,983	1865
388,294	1,890,847		34,686,075	36,965,000	1866
766,620	1,834,512		126,910	2,718,042	1867
914,941	2,332,151	3,480,281		6,727,373	1868
2,899,544	2,698,481		104,089	5,702,105	1869
2,159,515	3,754,293		1,000,000	6,913,718	1870
1,389,982	4,657,355	76,735	18,903,218	25,027,290	1871
1,370,320	4,598,435		327,903	6,293,668	1872
1,636,266	3,810,536			5,436,802	1873
1,041,345	4,340,795			5,382,140	1874
745,061	2,843,470	3,761,635		7,350,172	1875
640,691	3,697,730			4,308,421	1876
754,780	2,700,808			3,455,587	1877
1,188,108	6,399,892			7,588,000	1878
622,573	8,042,886			8,665,459	1879
850,740	8,224,192			9,074,932	1880
161,837,359	140,524,039	158,187,104	162,230,099	642,778,684	Total to 1881.
1,587,017	6,791,899	230,400		8,609,316	1881
3,611,530	8,894,731			12,506,261	1882
5,547,610	11,272,844			16,820,454	1883
192,584,116	167,483,506	158,417,594	162,230,099	680,715,315	Total to 1884.

PROPERTY TAX OF THE CANTON DE VAUD.

[We give below, from the *Bulletin de Statistique et de Législation Comparée* for September, 1886, the text of the documents relating to the "progressive" property tax now in force in the Canton de Vaud, Switzerland. The principle on which the law rests is declared in Article 19 of the cantonal Constitution of March 1, 1885 ; and the law itself, of which only the administrative sections are here omitted, is dated August 21, 1886.]

CONSTITUTION DU CANTON DE VAUD.

ARTICLE 19.—Les contributions publiques sont établies pour l'utilité générale.

Elles font l'objet d'une loi annuelle.

Il est perçu un impôt sur la fortune mobilière et sur le produit du travail. Pour cette perception, la fortune imposable est divisée en sept catégories, payant dans la proportion de un à quatre, suivant une échelle de 1, 1½, 2, 2½, 3, 3½, 4. La fortune imposable frappée dans les catégories supérieures est au bénéfice du taux des catégories inférieures pour la part correspondant à ces dernières.

Dans l'établissement du chiffre de l'impôt sur le produit du travail, il est tenu compte des charges de famille. Le produit du travail et celui des usufruits doivent être frappés d'une manière distincte et à un taux inférieur, pour chaque catégorie, à celui du capital de la catégorie correspondante.

L'impôt foncier demeure distinct des autres impôts.

Le taux en sera abaissé.

Si cet impôt est perçu par catégories, la part de la propriété foncière correspondant à la plus basse catégorie de l'impôt mobilier sera frappée à un taux inférieur à celui de cette dernière.

La défalcation des dettes hypothécaires est garantie aux propriétaires fonciers domiciliés dans le canton.

Les lois sur le timbre et le droit de mutation seront revisées dans le sens d'une application plus générale et plus équitable des droits à payer sur les transferts de propriété mobilière et immobilière.

Les lots d'impôt sur la vente en détail des boissons seront revisés dans le sens d'une répartition plus équitable de ces charges.

LOI D'IMPÔT

SUR LA FORTUNE MOBILIÈRE ET SUR LA FORTUNE IMMOBILIÈRE.

TITRE I^{er}.

DISPOSITIONS GÉNÉRALES.

ARTICLE 1^{er}.—Il est perçu un impôt direct et distinct par catégories :

a) Sur la fortune mobilière et sur le produit du travail, sous le nom d'*impôt mobilier*.

b) Sur la fortune immobilière, sous le nom d'*impôt foncier*.

2.—La fortune imposable de chaque contribuable frappée dans les catégories supérieures est au bénéfice du taux des catégories inférieures pour la part correspondant à ces dernières.

3.—Le taux de l'impôt pour la plus basse catégorie de la fortune immobilière devra toujours être inférieur à celui de la catégorie correspondante de la fortune mobilière.

4.—Chaque année, lors de la présentation du budget pour l'année suivante, le Grand Conseil détermine le taux de l'impôt à percevoir en application de la présente loi.

TITRE II.

IMPÔT MOBILIER.

CHAPITRE I^{er}.*Matière imposable.—Catégories.—Taux.*

5.—L'impôt mobilier se perçoit annuellement sur les éléments ci-après :

- a) Sur la fortune mobilière proprement dite ;
- b) Sur les rentes et usufruits ;
- c) Sur le produit du travail.

6.—Pour la perception de cet impôt, les éléments sur lesquels il est perçu sont répartis chacun en sept catégories comme suit : —

a) Les fortunes et portions de fortunes mobilières comprises entre :

1 franc et 25,000 francs forment la 1 ^{re} catégorie ;	
25,001	50,000 ——— 2 ^e
50,001	100,000 ——— 3 ^e
100,001	200,000 ——— 4 ^e
200,001	400,000 ——— 5 ^e
400,001	800,000 ——— 6 ^e
800,001	et au-dessus ——— 7 ^e

b) Les rentes et usufruits, ou portions de ces revenus, et les ressources procurées par le travail, ou portions de ces ressources, compris entre :

1 franc et	1,250 francs	forment la	1 ^{re} catégorie;
1,251	2,500	_____	2 ^e
2,501	5,000	_____	3 ^e
5,001	10,000	_____	4 ^e
10,001	20,000	_____	5 ^e
20,001	40,000	_____	6 ^e
40,001 et au-dessus forment la 7 ^e catégorie.			

7.— Le taux de l'impôt mobilier est fixé suivant la proportion :

1	pour la 1 ^{re} catégorie.	3	pour la 5 ^e catégorie.
1½	_____ 2 ^e	3½	_____ 6 ^e
2	_____ 3 ^e	4	_____ 7 ^e
2½	_____ 4 ^e		

8.— Les éléments de l'impôt mobilier demeurent distincts, mais ils sont indissolublement liés entre eux par la relation :

1 pour 1000 sur la fortune mobilière proprement dite ;

16 pour 1000 sur les rentes et usufruits ;

et 8 pour 1000 sur le produit du travail.

CHAPITRE II.

Contribuables.

9.— Doivent l'impôt mobilier :

a) Les personnes résidant dans le canton :

b) Les sociétés civiles et commerciales, industrielles et financières, les associations de tous genres, les communes, corporations, paroisses, confréries, les fondations, les caisses de familles et en général toutes les personnes juridiques qui ont leur siège dans le canton ;

c) Les personnes et les sociétés qui, ne résidant pas ou n'ayant pas leur siège dans le canton, y ont un établissement, une succursale ou y exercent une industrie permanente.

CHAPITRE III.

Impôt sur la fortune mobilière.

10.— La fortune mobilière soumise à l'impôt comprend tous les biens meubles par leur nature ou par la détermination de la loi, quels que soient leur situation et le revenu qu'ils procurent.

11.— L'évaluation de la fortune mobilière s'opère par l'appréciation à leur valeur vénale de tous les biens meubles quelconques, chédail, marchandises, numéraire, actions, obligations, créances et

prétentions de tous genres, parts et apports de sociétés, polices d'assurances et autres valeurs appréciables.

Le premier cours coté en janvier de l'année comptable détermine la valeur des titres cotés à la Bourse.

Les actions et parts de sociétés qui ont leur siège en Suisse et dont le cours à la Bourse est supérieur à leur valeur nominale ou qui rapportent un intérêt supérieur au 4 p. % de cette valeur, sont comptées dans la fortune mobilière du porteur ou du créancier pour leur valeur nominale seulement.

L'avoir net (réserves et amortissements compris) des sociétés mentionnées au paragraphe précédent qui ont leur siège dans le canton est compté dans la fortune mobilière de ces sociétés pour tout ce qui excède le capital social.

12.— Les contribuables mentionnés à la lettre c de l'article 9 sont soumis à l'impôt pour tout le capital mobilier affecté au service de leur activité dans le canton.

CHAPITRE IV.

Impôts sur les rentes et usufruits.

13.— Cet impôt est basé sur le montant des rentes et pensions, viagères ou temporaires, dues annuellement au contribuable, ainsi que sur le produit annuel de l'usufruit des biens meubles ou valeurs mobilières dont il jouit.

14.— Les meubles et valeurs mobilières improductifs soumis à usufruit sont estimés à leur valeur vénale et la rente à 4 p. % de cette valeur est comptée comme produit de l'usufruit.

15.— La subsistance et l'entretien qu'une personne reçoit d'autrui sont évalués et assimilés aux rentes, à moins qu'elle ne les reçoive à titre d'aumône ou d'assistance.

CHAPITRE V.

Impôt sur le produit du travail.

16.— L'impôt sur le produit du travail est dû annuellement par toutes les personnes, sociétés et associations mentionnées à l'article 9.

17.— Cet impôt se perçoit :

- a) Sur le produit de tout commerce, de toute industrie et de toute exploitation, agricole ou autre, déduction faite du 5 p. % des capitaux engagés qui sont soumis à l'impôt cantonal;

- b) Sur le chiffre de tous traitements, émoluments, honoraires ou salaires de toutes vocations ou professions, libérales ou manuelles, quel qu'en soit le genre ou la provenance.

18.— Lorsque le contribuable reçoit en nature tout ou partie de la rémunération de son travail, la valeur de cette rémunération est estimée suivant les circonstances locales.

CHAPITRE VI.

Exemptions et déductions de l'impôt.

19.— Sont exemptés de tout impôt mobilier :

- a) L'État et les établissements cantonaux de secours publics ;
- b) Les hôpitaux et bourses des pauvres appartenant aux communes, aux bourgeoisies, aux paroisses et aux confréries ;
- c) Les sociétés et institutions qui en sont exonérées par une convention obligatoire pour l'État ou par un acte législatif spécial.

20.— Les étrangers à la Suisse qui n'exercent aucun commerce, aucune profession ou aucune industrie dans le canton et qui n'y sont pas nés ne sont soumis à l'impôt qu'après deux ans de résidence et seulement pour la fortune mobilière qu'ils possèdent dans le canton.

Après dix ans de résidence, les étrangers à la Suisse sont soumis à l'impôt comme les nationaux.

21.— Sont déduits pour l'évaluation de la fortune mobilière soumise à l'impôt :

- a) Les produits du sol, les loyers et fermages et les récoltes de l'année précédente, demeurés en la possession du propriétaire, de l'usufruitier, du fermier ou colon partiaire ;
- b) La valeur du mobilier par nature, des vêtements et du coucher nécessaires à la famille, des ustensiles de cuisine, des outils et instruments, si elle n'atteint pas 5,000 francs, ou ce montant, si elle le dépasse.

22.— Sont déduits du produit brut du travail :

- a) Les dépenses nécessaires à l'exploitation du commerce ou de l'industrie ou à l'exercice de la vocation ou profession ;
- b) Comme charges de famille, les frais d'entretien, à raison de 400 francs pour le chef de famille, pour sa femme et pour chacun de ses descendants mineurs, ainsi que pour chacune des personnes auxquelles le contribuable fournit des aliments en exécution des obligations qui lui sont imposées par la loi civile.

23.— Les dettes du contribuable qui ne peuvent être défalquées de l'impôt foncier sont déduites de la fortune mobilière soumise à l'impôt.

Si la somme de ces dettes dépasse la fortune mobilière imposable, le 5 p. % de l'excédent est déduit du montant des rentes et usufruits.

Si, enfin, cette déduction ne peut être effectuée en tout ou en partie du montant des rentes et usufruits, la part de ce 5 p. % non déduite est doublée et soustraite du produit du travail.

Les dettes consistant au service d'une rente annuelle sont déduites :

1° De la fortune mobilière pour un capital égal à seize fois leur montant ;

2° Des rentes et usufruit d'abord, puis du produit du travail, s'il y a lieu, pour la part de la rente qui n'a pu être déduite de la fortune mobilière.

24.— L'usufruitier est au bénéfice des dispositions des articles 21 et 23 pour les biens dont il a l'usufruit.

CHAPITRE VII.

Dispositions communes.

25.— L'impôt mobilier est dû dès le 1^{er} janvier de l'année comptable. Il est payable au lieu de la résidence du contribuable à cette date.

26.— L'impôt de l'année comptable est basé :

Pour la fortune mobilière, sur l'état de cette fortune au commencement de l'année ;

Pour les rentes et usufruits et les ressources procurées par le travail, sur le produit de l'année précédente.

27.— Le contribuable qui exerce un commerce, une industrie ou une profession dans un lieu autre que celui de sa résidence est soumis à l'impôt mobilier :

Au lieu de sa résidence, sur le montant de sa fortune mobilière et de ses rentes et usufruits ;

Au lieu où il exerce sa profession, son commerce ou son industrie, sur le produit de son travail.

28.— Celui qui, dans le courant de l'année, vient résider dans le canton ou cesse d'y résider, est tenu de payer l'impôt mobilier proportionnellement à la durée de son séjour dans le canton.

La résidence d'une durée inférieure à trois mois, n'astreint toutefois pas à l'impôt.

29.— L'impôt sur les créances et rentes ne peut, ni directement, ni indirectement, être mis à la charge du débiteur.

30.— La fortune mobilière du mari, celle de sa femme non séparée de biens et celle de ses descendants mineurs sont considérées comme un seul tout devant l'impôt mobilier et réunies pour faire l'objet d'une seule déclaration par la personne qui a la jouissance de ces fortunes et déterminer la catégorie au taux de laquelle elles doivent l'impôt.

Il en est de même pour les rentes et usufruits d'une part et pour le produit du travail d'autre part.

31.— Les mineurs dont les biens ne sont pas assujettis à l'impôt avec ceux de leur père ou mère sont soumis à l'impôt au lieu de la tutelle, et les autres personnes sous tutelle au lieu où, du consentement de l'autorité tutélaire, elles ont leur résidence.

32.— Les contribuables en séjour ou transférés dans un hôpital, dans une maison de santé ou dans une maison de détention, continuent à être soumis à l'impôt au lieu où ils y étaient astreints avant leur entrée dans ces établissements.

CHAPITRE VIII.

Mesures d'exécution.

[This chapter provides for a declaration of taxable property and income to be made to commissioners by every tax-payer, for assessment in case of neglect, for the preparation of tax-lists by the commissioners with a right of appeal from their action to a central commission, and for penalties in case of any fraudulent declaration. It is to be observed that all officers concerned in the execution of the law "sont tenus de garder le secret sur les renseignements que les contribuables peuvent leur donner pour justifier leurs déclarations ou réclamations."]

CHAPITRE IX.

Dispositions transitoires.

66.— Les étrangers à la Suisse résidant actuellement dans le canton de Vaud, mais qui n'y sont pas nés ou qui n'y exercent aucune profession, aucun commerce ou aucune industrie, sont considérés comme ne résidant dans le canton que depuis l'entrée en vigueur de la présente loi.

Ils sont, par conséquent, pour dix ans encore au bénéfice de la disposition de l'article 20, 1^{er} alinéa.

Ils continuent par contre à être soumis à l'impôt, pour la fortune mobilière et les rentes et usufruits qu'ils possèdent dans le canton, s'ils y résident depuis deux ans.

67.— Les années antérieures à l'entrée en vigueur de la présente loi, durant lesquelles un contribuable n'a pas fait de déclaration, lui sont comptées pour l'application de l'article 44.

TITRE III.

IMPÔT FONCIER.

68.— L'impôt foncier est dû annuellement, à partir du 1^{er} janvier, sur la valeur au cadastre de tous les immeubles bâtis ou non bâtis du territoire vaudois, sous déduction des dettes hypothécaires, dont la défalcation est autorisée par la loi.

69.— Pour la perception de cet impôt, les fortunes immobilières des contribuables sont réparties en trois catégories, comme suit :

Les fortunes immobilières ou portions de ces fortunes comprises entre

1 franc et	25,000 francs	forment la	1 ^{re} catégorie.
25,001	100,000	_____	2 ^e
100,001	et en sus	_____	3 ^e

70.— Le taux de l'impôt foncier est fixé par la loi annuelle suivant la proportion :

1	pour la	1 ^{re} catégorie.
1½	_____	2 ^e
2	_____	3 ^e

71.— La catégorie au taux de laquelle doit payer la fortune immobilière d'un contribuable est déterminée par le sommaire de la valeur au cadastre de tous les immeubles que ce contribuable peut posséder dans le canton, où qu'ils soient situés et en quoi qu'ils consistent.

72.— Les fortunes immobilières du mari, de sa femme non séparée de biens et de ses enfants mineurs sont considérées comme un seul tout devant l'impôt et réunies pour déterminer la catégorie au taux de laquelle elles doivent l'impôt.

73.— La fortune immobilière soumise à usufruit est également jointe à celle que l'usufruitier peut posséder, pour déterminer la catégorie au taux de laquelle ces fortunes doivent l'impôt.

74.— L'impôt est perçu au lieu où le contribuable a sa résidence, s'il habite dans le canton, et au district dans lequel les immeubles sont situés, s'il habite hors du canton.

Si le contribuable domicilié hors du canton possède des immeubles dans plusieurs districts, la perception de l'impôt s'opère au district où sont situés les immeubles ayant la plus grande valeur d'après le cadastre.

75.— Sont exemptés de l'impôt foncier :

- a) Les immeubles appartenant à l'État;
- b) Les églises et cimetières appartenant aux communes et les bâtiments pour hôpitaux appartenant aux communes et aux sociétés reconnues par l'État comme personnes morales;
- c) Les immeubles qui en sont exonérés par des actes législatifs spéciaux.

TITRE IV.

DISPOSITIONS FINALES.

76.— La perception de l'impôt se fait par les receveurs, conformément aux lois et règlements sur la rentrée des contributions publiques.

77.— Le Conseil d'État pourvoit par des arrêtés, règlements et circulaires, à tous les détails d'exécution de la présente loi.

78.— Sont abrogées toutes les dispositions contraires à la présente loi et notamment :

- 1° La loi d'impôt sur la fortune mobilière du 21 août 1862;
- 2° La loi modificative du 20 décembre 1877.

79.— Le Conseil d'État est chargé de la publication de la présente loi pour être exécutoire dès le 1^{er} janvier 1887.